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MONDAY, January 1, 1951

THE JERUSALEM POST

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Column One
By David Courtney

THE New Year, its noise blue from the Cold War, makes a poor showing. It has come yelping into our midst with all the tin cans of 1950's garbage tied to its tail. One of the choicest and tinniest of the lot was fixed to it on Saturday by General MacArthur, who warned Japan that she may have to re-arm. He offered to the Japanese what the West is now also offering to the Germans — "complete political freedom," and added his belief that "Japan may be counted upon to exercise profound influence upon the course of destiny in Asia." It is a fair judgment. From Pearl Harbour to Hiroshima the Japanese held the same belief. The Japanese people, like some of the Germans, have not been over-eager to fight the West's battles; but there are strong elements in both countries who think it worth while to let America re-arm them and then, at the appropriate moment, to resume their own interrupted battles.

■

THE 81st Congress, which adjourns tomorrow, if mindful of the risk is unconcerned by it. It is "almost fatalistically ready," according to "Time" magazine, "for an international showdown." And the 82nd Congress, which on Wednesday will replace the 81st, will be ready enough to send "destiny's draftee" into the firing-line of 1951, alongside the Germans in Europe and alongside the Japanese in Asia. "Destiny's draftee" is the sad name "Time" gave to its "Man of the Year 1950," — the American soldier. The American soldier is a brave man, and one supposes he won't mind "Time's" appellation. As well as being brave he is also, no doubt, a "realist," and therefore will not think it odd to have changed sides.

■

BY the time the 82nd Congress has got into its course, M. Pleven, Premier of France, having pushed his re-armament appropriations through the National Assembly, should be in Washington. He may have better luck with Mr. Truman than the British Prime Minister had; and one may hope that he will say to the President something like this: "Mr. President, the world has need of the United States. It is a rich, generous, and well-meaning country. The rest of us are as poor as church mice and still wobbly on our legs from the catastrophe that overtook us between 1939 and 1945. We shall fight if we have to. We shall bear privations if we have to. No one can say that we haven't borne our share in the past. But, Mr. President, if you can prevent another war you will do infinitely more good than by winning another war. Please try a little harder. If the Russians remain obdurate, you will have us with you without reservation and without stint." But the tin cans on the New Year's tail make such a din that words like that are hardly audible.

■

SO Kingsley Martin writes in "The New Statesman": "How shall we, who have good friends in the U.S. and believe that our destiny is bound up with theirs, make our voices heard against the barrage of the American Press?"

■

THE Western High Commissioners are likely to send the Germans a New Year message in the spirit of General MacArthur's message to the Japanese. Now Herr Ulbricht, leader of the East German Communist Party, has returned to Berlin from Moscow with a New Year message that has not been made public yet. It will jangle like the other tin cans as 1951 runs round and round in howling confusion. Reports from London say that Ulbricht will set the pace for the re-conversion of East German industry to meet the threat of West German re-armament. Light industry, it is said, will return to a large production of small arms. There are to be large rubber allocations for the manufacture of tyres needed for transport vehicles. The East Germans will not be made into soldiers, but will keep the factories going for the equipment of Russians.

Tel Aviv, January 1, 1951.

Barrage Heralds Chinese Assault

TOKYO, Sunday (AP). — A barrage from Chinese artillery, and strong probing thrusts at U.N. outposts along the ice-jammed Imjin River defence line of Seoul, opened up tonight.

It was the first time Chinese guns had pounded U.N. positions since the retreat from Pyongyang on December 5. A front-line Commander in the 8th Army said "this looks like the beginning of something big."

Shells started falling behind U.N. lines after dark today at the rate of one every 10 minutes. Shortly before midnight the Chinese charged forward in powerful probing attacks on the western sector of the front.

The Chinese have massed armies along the 38th Parallel at the three key road-rail gateways to Seoul. In the east they have deepened their dent in the allied lines. Eighth Army headquarters said that Chinese forces were moving south of Hwachon in central Korea, a third concentration point for an all-out drive on Seoul expected "any day."

The Chinese had previously been reported massing at Kaesong and Yongchon—two other major railway and highway junctions leading towards Seoul. Big buildups were spotted over a 90-kilometre segment of the 240-km. U.N. defence line stretching across the Korean peninsula from coast to coast.

Kaesong is 53 kms. northwest of Seoul and three kms. south of the 38th Parallel. Yongchon is 55 kms. north of Seoul and 19 kms. north of the Parallel. Hwachon is 90 kms. northeast of Seoul and 11 kms. north of the Parallel.

U.N. warplanes today conducted a non-stop hammering of the Communist armies concentrating for the offensive. Light bombers and fighters attacked from coast to coast in the daytime after light invader bombers returned from 36 night intruder missions.

The air forces claimed today to have killed and wounded 3,600 Chinese and North Koreans this week in 2,575 sorties.

They claimed to have destroyed 163 vehicles, damaged 188, and to have destroyed five tanks and damaged nine.

New Zealand artillerymen have disembarked at a port in South Korea for service with the U.N. forces.

Three-Prong Attack Poised at U.N. Front

TOKYO, Sunday (Reuter). — The Chinese and North Koreans now have sufficient strength on the 38th Parallel to launch a three-fold attack any time in the first ten days of the new year, intelligence officers on General MacArthur's staff said today.

The build-up of men and materials was "approaching its climax," they added. The Communist manpower potential was powerful enough to start an offensive in three directions:

1. A wide enveloping movement from the east—where the U.N. forces have fallen back 20 kilometres this week.
2. A particularly strong drive from the centre along the Yongchon-Seoul route.
3. A direct frontal assault by a great mass of men from the general direction of Kaesong, in the west.

Busy Rear

Intelligence reports speak of "tremendous activity" in Communist rear areas during the past 72 hours. Troops, supplies and artillery were moving into forward areas on all roads and tracks leading south, and along the east coast from Wonsan towards Hwachon, 11 kms. north of the 38th Parallel on the eastern side.

Signs of co-ordinated guerrilla activity behind the U.N. lines were also reported.

Asian Group Still Unresolved on Korea

LAKE SUCCESS, Sunday (UP). — The meeting of the Asian-Arab bloc at the United Nations scheduled for last night was called off late in the day after delegates asked for more time to consider a new plan for solving the Far East crisis. It was understood that the delegates representing twelve Asian and Arab nations would meet today or tomorrow at the residence of Sir Benegal Rau, author of the mediation efforts.

The delegation sources said that more time was needed to consider their course of action when the Assembly's main Political Committee resumes its sessions here on Wednesday. Early reports said that the bloc would press for the adoption of its previously side-tracked proposal for a peace conference on Korea and a broad range of other Far Eastern issues.

The cease-fire team of three (Sir Benegal Rau, Assembly President Nasrullah Entezam, and the Canadian Minister of External Affairs, Mr. Lester B. Pearson) is due to hold its final meeting on Tuesday to draw up a report on its efforts to halt the Korean War. It was believed that the three-man committee is considering the submission of only a factual report on its efforts and might not include any recommendations for further action.

Acheson Asks Faith Plus 'Toil and Blood'

WASHINGTON, Sunday (AP). — Mr. Churchill's 1940 prescription of "blood and toil, tears and sweat" is what America needs today, Secretary of State Dean Acheson said in a broadcast tonight.

"To that I may add faith—faith in our country and faith that the great task before us can, and will, be done," Mr. Acheson said.

He listed these four sources of American strength:

1. "Our cause is right. We stand on the side of freedom and of the great spiritual values which have created our country."
2. "We have friends who believe in the same values we believe in."
3. "We and our friends have the greatest industrial capacity in the world, which in turn can make us and our friends strong."
4. "We have not merely a potential strength, but we have strength in being, since we have a first class navy and a strong air force, and we have a nucleus around which we can build a real fighting force."

In an earlier statement, Mr. Acheson urged the major parties to "close the ranks at home" on foreign policy by continued bi-partisan consultation.

The U.S., he said, must remain true to the tradition of "standing by its friends." The U.S. must not compromise by appeasement.

"In Korea this country will not be intimidated" by the Chinese threats but will continue to fight under the U.N.

Burma Raids Rebel Camps

RANGOON, Saturday (AP) —Government troops have opened new offensives against militant Burmese Communists in central Burma, it was officially announced today.

There was an hour-long battle between loyalists and 150 Communists at Ywadan, 16 kilometres west of the important central Burma road and rail town of Ygin.

R.A.F. Bombs Aden

JEDDAH, Saudi Arabia, Sunday (Reuter). — A radio broadcast said today that the Royal Air Force undertook "minor bombing operations" after a Sultan had been stabbed at a village in Western Mukalla near the Yemen border.

The radio quoted informed circles as saying that the situation was not considered serious or politically significant.

Eight demonstrators had been killed and five Arab soldiers wounded in the attack on the Sultan.

THE JERUSALEM POST

The reduced size of daily newspapers in Israel is the result of the severe shortage of newsprint. The delay in distributing yesterday's issue of The Jerusalem Post was caused by the mechanical difficulties introduced by the restricted size of paper now available.

Newspapers will appear in two-page editions from tomorrow until Thursday. There is no certainty, however, that publication will continue uninterruptedly even with the smaller size paper.

Today's 16-page Economic Supplement was printed on sheet paper, which is unsuitable for daily editions. It was allocated for the supplement by the Supply Ministry.

Big Three To 'Welcome Germany'

WASHINGTON, Sunday (AP). — President Truman will ask Congress, probably within a fortnight, to declare the end of America's state of war with Germany, administration officials forecast today.

Britain, France and others are expected to take action at the same time in a gesture to "welcome West Germany back into the community of nations." The declaration would fall short of an actual peace treaty, however.

In New Delhi today, India announced its decision to end its state of war with Germany from tomorrow.

Pleven's Budget Given Popular Assembly Vote

PARIS, Sunday (Reuter). — The French government today won four votes of confidence on the rearmament budget in all-night sitting of the National Assembly.

The Assembly adopted the government's entire 740 milliard francs (£755m.) rearmament budget which aims to provide France with ten divisions fully equipped by the end of 1951.

M. René Pleven had a narrow margin in the first vote of confidence, on the taxation programme to finance rearmament, which was carried by 314 voters to 222, with 70 abstentions. The vote was 331 to 185 with 85 abstentions in the final vote on the adoption of the bill as a whole.

The budget will now go to the Senate for approval before returning to the Assembly for the second reading.

Karl Renner Dies in Vienna

The death of Karl Renner, President of Austria, took place in Vienna yesterday. He had been dangerously ill since the celebrations on his 80th birthday on December 14.

Karl Renner, social democrat,

Dr. Karl Renner

an advocate of with Germany thought that it was these views that led the Nazis to protect him during their rule in Austria.

In August, 1945, when he headed the provisional government set up by the Allies, he claimed that the *anschluss* idea was dead and that Austria would not join "even a federation of German states." After the Austrian elections he resigned as premier and was elected by all parties as first President of the Second Republic a month later.

In an interview with this paper's correspondent in August, 1946, Dr. Renner expressed his full support for Jewish national claims. He revealed that he was a diligent contemporary reader of Herzl's Zionist writings. He confessed to feeling uneasy at the time because of his "conviction that the Jews were an important factor in the cultural and economic life of Austria."

Cripps, C.H. In New Year Honours

LONDON, Sunday (Reuter). —Sir Stafford Cripps is created a Companion of Honour in the King's New Year Honours list to be published tomorrow.

The former Chancellor of the Exchequer is now in a Swiss sanatorium. The King's award, announced 24 hours after Britain had dispensed with Marshall aid, is held by many to be the vindication of Cripp's austerity plan.

The King is creating only two new peers — both socialists — for political and public services. They are: Archibald Crawford, a Leicestershire Labour party stalwart and Thomas MacPherson, Chairman of the Clan MacPherson Association.

The coveted Order of Merit, restricted to only 24 members, is bestowed on Sir Alexander Cadogan, who represented Britain in the United Nations, and Marshal of the Royal Air Force, Viscount Trenchard, a pioneer builder of Britain's air force.

Sir I. Kirkpatrick, British High Commissioner in Germany, is made a Knight of the Order of the Bath.

BARZILAI NOT SEEKING 'ASYLUM'

TEL AVIV, Sunday.—Reports that Mr. I. Barzilai, Israel Minister to Warsaw, and two members of the Legation staff had asked the Polish Government for asylum, were officially denied by a Government spokesman here today.

The Foreign Ministry cabled Warsaw last night when the first reports were received here. Mr. Barzilai phoned Haifa today and denied the report.

All three will return to Israel at the end of January.

WADI ARABA DISPUTE

The Wadi Araba case will not be taken up by the Israel-Jordan Mixed Armistice Commission until January 18, when Col. B. de Ridder is due back from vacation, "Palestine" reports.

Right Squabble Holds Up J'lem Mayor Vote

Two unsuccessful ballots in the Jerusalem Municipal Council last night revealed that a mayor would not be chosen until the mayoralty elections in Petah Tikva and Natanya have been decided.

Another meeting of the Council has been scheduled for seven o'clock this evening, by which time it is hoped the ballot results in both those towns will permit the five-party, rightist coalition to elect Mr. S. Z. Shragai to the post in Jerusalem.

The coalition held conferences up to a quarter of an hour before the Council met last night. Both leading parties in the coalition—the Religious Bloc and General Zionists — reportedly expressed distrust of each other's political manoeuvrings in Petah Tikva and Natanya. The Bloc asked the General Zionists to vote for Mr. Shragai with the assurance that the Bloc's members in the other two communities would then "be ordered" to support the General Zionist candidates there. The General Zionists spurned the offer, declaring they would not vote for Mr. Shragai until after the voting in the two other towns.

Stalemate Plan

It was then agreed that only nine of the 12-man coalition would support Mr. Shragai's candidacy to offset the opposition's vote for the incumbent Mayor, Mr. Daniel Auster, thus stalemating the election. This decision was carried out at the meeting.

The evening meeting, which followed the postponement of the morning session, developed into a lively affair with both factions manoeuvring for the vote. Mr. Auster ruled that several resignations by Religious Bloc members, which had been made to move Mr. Shragai up on the list, were not valid as they had not been made in person. After the coalition objected to this and the minority supported Mr. Auster, two of the Bloc members pushed their way into the crowded room, walked up to Mr. Auster and signed their resignations. Mr. Shragai then took his seat.

The first balloting was for Mr. Shragai, who got nine votes: then the vote for Mr. Auster garnered an equal number. Mr. Auster asked that another vote be held and suggested that "for luck" the first poll be made on his candidacy, then on that of Mr. Shragai. But the results were the same.

HAIFA STILL HAS NO MAYOR

HAIFA, Sunday. — Haifa's mayoralty problem remained unsolved when the Municipal Council today postponed its meeting until January 14.

Only eight of the 21 Council members were present at today's meeting.

It is learned that the Histadrut and Mapam members of the Council had notified the Mayor, Mr. S. Levy, that they would not take part in any meeting until agreement is reached between them.

No Military Pacts Made or Planned

By Our Diplomatic Correspondent

HAKIRYA, Sunday.—Official circles here have been following with some surprise the reports and conjectures, which have been appearing with increasing frequency in sections of the world press, concerning alleged military or other commitments entered into by Israel under the pressure of the general international situation.

These stories have taken the form of speculation, based on events construed as relevant, about a supposed Mediterranean pact, or other instrument, which would bring Israel into military alignment with one of the major power-groups.

Some of the reports have given circumstantial accounts of, at the least, an understanding in the military field between Israel on the one hand, and Turkey, or even Greece, on the other.

Watching Events

I learn on the best authority that there is no basis whatever for any of these conjectures or speculations. Naturally, it is to be expected that this Government, like other Governments, is watching closely the current developments in the international situation, particularly, as the Middle East, geo-politically, is a region of manifest sensitivity.

The careful study of the implications for Israel of a possible worsening of the world crisis is no more than might be expected of a Government which, in such an event, would be faced with economic and other problems of a nature still more pressing than those which face the country today.

But there is not the slightest foundation for reports of military or other alliances present or prospective, nor is there any occasion for supposing that Israel's foreign policy in on the eve of a right-about-face.

This foreign policy has undergone no modification since it was stated in clear terms by the Foreign Minister in his opening speech at the U.N. General Assembly, and re-stated in the debates on the Korean crisis and on the "uniting for peace" resolution. There is no reason for supposing that any modification is contemplated.

Greece, Turkey Feel For Pact with Arabs

NEW YORK, Sunday (INA) —Greece and Turkey may be making efforts to reach some understanding with the Arab states for defence of the Middle East, according to reports reaching the "New York Times."

Correspondents in Damascus and Baghdad say that Turkey is making informal soundings at the same time as Premier Venizelos is holidaying in Cairo.

According to the Cairo daily "Al Misri," Syria has been taking a negative attitude to Turkey's suggestions because it is thought that Turkey intends to reach a similar agreement with Israel.

Information circulating here suggests that tentative proposals of the Greek and Turkish talks would link some or all of the Arab states with the North Atlantic Pact somewhat in the same way as Turkey and Greece themselves are linked, that is, in a consultative capacity.

Gov't, Agency Discuss Immigration Prospects

Another meeting of the Government-Jewish Agency Coordination Board was held in Jerusalem yesterday under the Chairmanship of Mr. Beri Locker.

Questions on immigration and ma'abarot, and provision of land for new settlements were discussed. Immigration prospects during the coming three months in the light of the international situation was taken up.

It was decided to fix July 11 as the date for the opening session of the Zionist Congress.

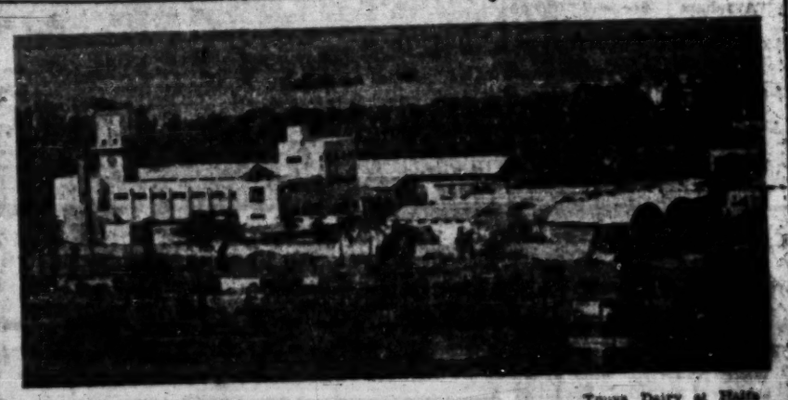
U.K. Steps up Arms Drive

LONDON, Sunday (UP). — Britain is stepping up her three-year £3,600 m. defence programme to speed rearmament in line with the United States and other North Atlantic Pact nations, it was learned authoritatively today. U.K. chiefs of staff have been ordered by the government to review previous plans and draw up a new arms programme of most pressing requirements.

The defence committee of the cabinet will consider this week plans for the limited call-up in the spring of some 200,000 reservists to test the recently overhauled mobilization machinery of the War Office and the Air Ministry.

ARAB MARCH POSTPONED

The march of Arab refugees "across Israel's borders," due to take place this week, has been postponed, according to Baghdad radio, until after the meeting of the political committee of the Arab League in Cairo on January 20.



Tnuva Dairy at Haifa

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DISTRIBUTES AND MARKETS in the cities, towns and villages milk products of all kinds: pasteurized fresh milk, butter, soft and hard cheeses, processed cheeses, lebenish (yoghurt), leben (sour milk drink); agricultural products: vegetables, potatoes, fruit and citrus, eggs, poultry, fish (pond sea and lake), honey, jams, canned food, fruit juices and beverages, cornflour, custards, flowers, saplings.

TNUVA is the main organization for the supply of agricultural produce in the State of Israel and markets about 70% of the total agricultural produce of Jewish mixed farming.

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Social & Personal

Mr. Pinhas Rosen, the Minister of Justice, visited the Magistrate's and Anti-Profiteering Courts in Tel Aviv yesterday.

Msgr. Carlos Maria de la Torre, Archbishop of Ecuador, who visited Israel in July, has been inscribed in the Golden Book of the Jewish National Fund by the Ecuador Zionist Federation.

Mr. Avraham Rutenberg, manager of the Palestine Electric Corporation, left for London by El Al yesterday on business.

Mr. Yosef Glickman has been appointed head of the Commerce Division of the Ministry of Trade and Industry. He will assume the post upon his return from the U.S. Dr. A. Marcus, formerly acting head of the Ministry's Commerce Division, has been appointed coordinator of the industrial planning and development activities of the Ministry. He will also represent the Ministry on inter-Ministerial Committees concerned with industrial planning.

Kenneth Spencer, the Negro singer, has left Israel by El Al for a series of recitals in Athens. He will later return to the U.S.

Dr. Israel Drapkin, of the University of Santiago, Chile, will lecture in English under the auspices of the Hebrew University on "New Trends in Criminology" at eight o'clock this evening at Terra Sancta, Room 28, 4th floor, Jerusalem. The public is invited.

Dr. A. Gershon-Kiwe, Director of the Ethnological Institute of the Ministry of Education's Music Division, will lecture on "The Past and Present of Oriental Song" at 8 o'clock this evening at the Ministry's office, 100 Rehov Hayarkon in Jerusalem. The public is invited.

Mr. A. Kolb will address the club for Progressive Culture at 48, Rehov Nahlat Binyamin, Tel Aviv, at 8.15 tonight on: "In the Footsteps of Van Gogh and Gaugin."

A concert by students of the New Jerusalem Conservatoire and Academy of Music took place on Saturday night at the Schmidt Girls College in Jerusalem.

BIRTHS

RING—To Mali (nee Aschheim), wife of Jona Bing, on Sunday, December 31, 1950, at the Elisha Hospital, Haifa — a daughter.

NAUMANN—To Inge (nee Gramse), wife of Mr. Berthold Naumann, on Thursday, December 28, 1950, at the Assutah Hospital—a daughter.

OBITUARY

Dr. Avraham Baruch

The death took place in Tel Aviv yesterday of Dr. Avraham Baruch (Rosenblith), veteran teacher at Herzlia College. He was 60.

Dr. Baruch, studied mathematics and physics at Warsaw and Vienna Universities. He came to Eretz Israel in 1910, and was employed as a teacher at the Herzlia College. He set up the first meteorological station in the country at the school. It later became the Tel Aviv Meteorological Station. He also was the author of textbooks on mathematics and physics, and was a member of the Tel Aviv Municipal Council for several years. He was latterly assistant Deputy-Director of the school.

Mr. Albert Weill

Mrs. Emma Weill (nee Ackermann) deeply regrets to announce the death of her beloved husband, Mr. Albert Weill, Nahartyu, who passed away on Saturday, December 30, 1950.

Mr. Henry Beja, General Agent in the Middle East of the Det Forenede Dampskibs Selskab (D.F.D.S.) has arrived in Haifa on a commercial trip. He took occasion to inspect the s.s. "Birkholm," now on her maiden voyage, in Haifa port. A lunch was held on Friday on board ship. Mr. Andersen, the ship's purser, served original "Tubourg." (Advt.)

The Hebrew National
OPERA
TEL AVIV: Habimah
Tomorrow, Jan. 2, at 8 p.m.
JERUSALEM: Edison
Thursday, Jan. 11, 8 p.m.
Faust
Opera in 5 Acts by Gounod
(7 scenes)
with Raphael Arie
of La Scala, Milan
Conductor: G. Singer
Tickets: Solin, 97 Allenby Rd., Tel Aviv, Tel. 3029; Jerusalem: S. Gabaon.

At the Cinema

The Secret of Unpaid Imports

By Alexander Raviv

THE problem of whether a law-abiding citizen is justified in helping an escaped convict is the subject of John Galsworthy's play "Escape" (Edison, Jerusalem). As might be expected 20th Century-Fox have coated the issue with a thick layer of sentimentality, femininity (Peggy Cummins) and soft-soap. The convict is presented to us as a decent guy at heart whose only crime was helping a lad in distress. His principal helper is a melting blonde, and the rugged convict, debonair Rex Harrison.

Nevertheless, neat direction, coupled with the authentic atmosphere of a Devonshire village, makes for entertaining cinema. —*J. R.*

Jazz Oratorio

EIGHT months after the first copy of Danny Kaye's penultimate picture "A Song is Born" (Orion) went up in flames a new copy has arrived from Hollywood just in time for the new year. It is a jazz-oratorio in which Danny Kaye (as Prof. Frisbee), who is engaged in writing a history of long-haired music, meets a couple of Negro window cleaners who introduce him to swing. In the course of his "research" Frisbee meets torch singer Virginia Mayo. The magnificent jazz-symposium presented by Benny Goodman, Tommy Dorsey and Louis Armstrong is a delight to remember.

FRANGO

THE most important change in the "New Economic Programme" is connected with "Import without Payment" as it is called — one of Israel's trickiest economic problems. What are the facts behind these mysterious transactions?

The official exchange rate of the Israel pound is 2.80 to the dollar, and parity with the pound Sterling. But most people abroad are of the opinion that the purchasing power of the Israel pound is worth a great deal less and they are therefore not prepared to lose part of their capital by transferring it at the official rate. The Israel Treasury, on the other hand, for a number of good reasons, considers it undesirable to devalue our currency, and indeed there is no likelihood of this happening. A compromise had to be found between the man who wished to transfer capital to Israel, but not at the rate of 2.80 to the dollar, and the Israel Treasury which insisted on the official rate.

The answer is "import without pay" which will work in the following way. Instead of transferring his money through the ordinary channels, an investor abroad will now contact an Israel importer and will finance certain imports into Israel. If it were left at that, the man who wished to transfer his capital to Israel would be left just as unsatisfied as if he had transferred it at the official rate. The significance of the transaction is that the man who transfers his capital in goods can sell these in Israel at an appreciable profit, which compensates him for the lower purchasing power of the Israel pound. In other words, the man who transfers his capital through "import without pay" obtains a better exchange rate than the official one.

Departure Not New

This is not of course an entirely new departure for the Israel Treasury. Those investors who wanted in the past to put up factories here or to build hotels, were always allowed to bring in all the machinery, building materials and raw materials they needed. The new arrangement deals also with those who wish to transfer their capital in cash and obtain cash here. More than a year ago, this arrangement was actually already in operation, but it was badly misused by some people and therefore stopped. The Treasury thinks that this time it can make the technical arrangements so foolproof that only genuine investors will use the method.

The effect of this arrangement on the Israel economy is clear. It will considerably encourage investors abroad who now have a legal method of bringing money into Israel at a reasonable rate. But of course the whole system is based on the fact that the imported goods are to be sold at an appreciable profit on the Israel market, and this may drive up the local price level. And when the price level goes up, so do the wages, and a vicious circle starts again.

Cash Transfer

In order to soften this blow as much as possible, the Israel Treasury has decided to differentiate between essential and less essential goods for the purpose of the working of this scheme. Accordingly, if a man wishes to transfer his capital from abroad in essential commodities such as, for instance, wheat or cattle fodder, his right to sell these imports freely on the Israel market is severely limited and the government allows him only a fixed rate of profit. But the man who imports certain other goods such as bed linen, is allowed to sell these freely on the market and realize such profit as the market can bear. It is thought that even high prices for less essential goods, which will not appreciably affect the cost-of-living index, are preferable to the present state of affairs in which such goods have nominally a very low government-fixed maximum price but are not, in fact, available.

There is, however, one important proviso in the new "import without pay" policy. The Treasury which grants the permits is entitled to demand that a part of the capital to be transferred from abroad be transferred in cash, that is to say exchanged at the official rate of 2.80 to the pound. The percentage is fixed by the kind of goods in which it is intended to transfer the rest of the capital. For example: if a man wishes to "import without pay" wheat, for which the government has fixed a price and profit margin, he will be allowed to transfer all his capital in wheat. But if someone gets a permit for bed linen, and if the government decides that this is not the most essential kind of goods and therefore imposes no price control, then the Treasury may demand that the investor transfer, say, 50 per cent of the amount involved in cash at the official rate.

(From a Broadcast on "Kol Zion la-Golah").

JERUSALEM CINEMAS

At 3, 6.30 & 8.30 p.m.

EDEN: On the Town.
EDISON: Escape.
ORION: A Song is Born.
SEMADAR: Ecstasy (6.30 & 8.30 p.m.).
STUDIO: Les Visiteurs du Soir.
ZION: Tokyo Joe.

Frost and Snow Wrecks British Sports Card

By Jim Chambers, A.P. Sports Correspondent

Frost and snow wrecked Britain's week-end sport: 15 English League and two Scottish League soccer games were postponed, two English were abandoned after a start had been made and the Rugby Union and Rugby League schedules were virtually wiped out. Three race meetings were also abandoned. It was the blackest sports Saturday since March 8, 1947, when snow caused the postponement of 27 English League football games.

All the postponed English soccer games were due to be played in the Northern half of England from whence came reports of very wintry weather. The Southern half escaped the snow but the grounds were all hard and slippery. Good football was well-nigh impossible on most of the arenas.

Complete Results

ENGLISH LEAGUE

Division I

Blackpool	vs.	Man. U.	postponed
Bolton W.	vs.	Wolves	postponed
Derby C.	1	Stoke C.	1
Fulham	1	Sunderland	1
Huddersf'd	vs.	Chelsea	postponed
Liverpool	vs.	Aston V.	postponed
Middlesbro.	3	Burnley	3
Newcastle	vs.	Portsm'th	postponed
Sheff. W.	0	Arsenal	2
Tottenham	1	Charlton	0
West Brom.	0	Everton	1

Division II

Barnsley	vs.	Sheff. U.	postponed
Birmingham	1	Notts. C.	4
Blackburn R.	vs.	Leeds U.	post.
Brentford	1	West Ham	1
Cardiff	0	Preston N.E.	2
Coventry	5	Bury	2
Doncaster	vs.	Swansea	postponed
Grimsby T.	1	Hull C.	1
Leicester	1	Chesterf'ld	0
Man. C.	vs.	Q.P.R.	postponed
S'hampton	1	Luton T.	1

Division III (South)

Aldershot	3	Newport	1
Bristol R.	2	Bristol C.	1
Colchester	1	Crystal P.	0
Ipswich T.	0	Reading	2
Leyton	1	Southend	1
Millwall	4	Gillingham	3
Notts. F.	vs.	N'hampton	post.
Port V.	0	Plymouth	0
(Abandoned after 56 mins. - snow)			
Swindon	0	Brighton	0
Torquay	1	Norwich	5
Walsall	0	Exeter	2
Watford	2	Bournem'th	1

Division III (North)

Accrington	vs.	Tranmere	postponed
Barrow	vs.	Wrexham	postponed
Bradford C.	3	Hartlepools	1
Carlisle	1	Bradford	0
Chester	vs.	Stockport	postponed
Crewe A.	vs.	Southport	postponed
Lincoln	3	Mansf'd T.	0
N. Brighton	1	Gateshead	1
(Abandoned after 30 mins. - snow)			
Rochdale	vs.	Halifax T.	postponed
Rotherham	4	Scunthorpe	1
Shrewsbury	2	Darlington	2
York C.	2	Oldham	2

SCOTTISH LEAGUE

Division A

Airdrie	2	Morton	0
Celtic	2	Hearts	2
Dundee	2	Rangers	0
E. Fife	0	Aberdeen	0
Hibs.	1	Clyde	0
Partick	vs.	Motherwell	postponed
St. Mirren	0	Falkirk	0
Th. Lanark	1	Raith R.	2

Division B

Dumbarton	3	Alloa A.	2
Dunfermline	3	Ayr U.	1
Forfar	3	Queens Pk.	2
Hamilton A.	1	Dundee U.	2
Kilmarnock	1	Arbroath	1
Stenh'semuir	vs.	Queen of the South	postponed
Stirling	3	Albion R.	2
St. Johnstone	2	Cowdenb'th	1

Mid-week Result

Division III (South)

Norwich	1	Brighton	1

WIRELESS PROGRAMMES

TEL AVIV: 43.9, 33.3 & 522 M.; JERUSALEM: 407 M.; HAIFA: 242 M.

NEWS: Hebrew: 7 a.m., 1.30 p.m. 6, 8.30 and 10.25 p.m.; English: 2 and 10.15 p.m.; Arabic Programme (including News): 8 a.m., 2.15 and 7.15 p.m.; French: 3 p.m.

6.30 a.m. Service. 6.35 Exercises. 6.42 Musical Clock (R). 7.15 Melodies. 7.45 Oriental Music (R). 8.50 Close Down.

10 a.m. Morning Concert (R). 10.30 Music of the People (R). 11.00 Concert Hall: Overture "Faramondo" (Handel); Symphony No.2 (Brahms). 12.00 N. Break for Music (R). 12.20 Agricultural Corner. 12.30 Programme for Hospitals. 1.00 Soldiers' Programme. 1.45 Housewives' Corner. 3.15 Close Down.

4.00 p.m. Programme for Yemenites. 4.30 Siesta (R). 4.40 Vocal Recital: Boris Schukman. 5.00 Variety (R). 5.30 Talk by E. Oiswanger: 5.45 Oriental Music: E. Aharon. 6.15 "Echoes of the Week:" by D. Sher. 6.30 Children's Hour. 7.00 "From Worker to Worker": Talk. 7.45 Bible Reading. 8.00 Soldiers' Programme. 8.45 Weekly Talmud Lesson: Rabbi S. Assaf (Jerusalem). 9.45 "Shadmot" (Tel Aviv). 9.15 Habimah's "Bet Hillel." 10.00 Israel Songs. 10.30 Recital: Sascha Parnes & Mosha Lustig. 11.00 Hebrew Songs. 11.12 Close Down.

Immigrants' Hour (33.3 M.): 7.00 p.m. Yiddish; 7.20 p.m. Ladino; 7.40 p.m. French.

Kol Zion Lagola (33.3 M.): 12.00 M. Newsreel. 12.15 "The Writings of E.J. Agnon:" by Y. Merez. 12.30 Singing Lesson by T. Firon.

B.B.C. HEBREW BROADCASTS (21.32 and 24.92 M.): 6.30 News. 6.40 News Talk. 6.45 Review of the Weekly British Press.

ARMY PROGRAMMES (230 M. and 44.6 M.): 6.20 p.m. Programme Announcements. 6.33 Classical Request Programme. 7.30 Today's Events. 7.35 Weekly Interview, by D. Rivlin. 7.50 Interlude. 8.00 Soldiers' Programme. 8.30 News. 8.40 Interlude. 8.45 Army Quiz. 9.15 Dance Music. 10.00 Close Down.

FRESH
Meat & chicken at Beck-(Oneg)—Formerly in Paris. strictly Kasher Restaurant Breakfast, lunch & dinner.
23 Ben Yehuda St. Jerusalem

KOSSIT
כסית QUICK BUFFET
Proprietors: FILIPPOWICZ & GINGOLD
15 Ben Yehuda Street, Jerusalem
Cold Dishes — Large selection of cake — All alcoholic drinks
Opening tomorrow, January 2, 1951

Thursday, January 4, 8.30 p.m. "OHEL" Tel Aviv
PERFORMANCE by the guest artist
RACHEL HOLTZER
NAHUM NARDI, Pianist-Composer, and AHUVA ZADOK.
Friday, January 5, 8.30 p.m. at "MIGDAL," Holon
Tickets: "Hakartis," 31 Allenby Rd., Tel Aviv; "Kanaf," 9 Boustrus St., Jaffa.

SHARON HOTEL
Competition
The Jury has selected, out of more than 200 entries containing well over 2000 suggestions, the name
SASSON
for the new ballroom of the hotel. As several persons submitted the name Sasson at the same time, the winner had to be chosen by lot. The happy winner is
DR. DAVID A. ASCHER, of HAIFA.
We wish to thank all participants for their interest.

English Engineers
working on large industrial undertaking, seek modern furnished flat accommodation for a period of approximately six months.
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Jewellery and Watches Repairs Guaranteed by Parisian Expert.
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European
PATENT COUCHES and COMPLETE SUITES
Reasonable Prices
GLUECK FURNITURE
109 Shlomo Hamelech St. corner Arlosoroff, Tel Aviv. Bus No. 13.
Purchase of European Furniture at highest prices.

At the KING DAVID HOTEL, Jerusalem
Saturday, January 20, 1951, 9 p.m.
A Tu B'shvat Ball
"NEW YEAR OF THE TREES"
DANCING / FASHION SHOW / BUFFET
EXHIBITION OF CHILDREN'S HANDICRAFT
Proceeds will be devoted to equipping the new Hospital for paralysed and crippled children
For tickets please phone the Society for Crippled Children, 3 Ben Yehuda St., Jerusalem, Tel. 2574

Association of Demobilized Soldiers in Israel
WAR INVALIDS BRANCH
January 14, 1951, OHEL SHEM, Tel Aviv, 8.30 p.m.
Under the kind patronage of Mrs. VERA WEIZMANN
PREMIERE CONCERT
The PARIS FOLIES BERGERES, Soloist
VERONICA BELL
PROGRAMME:
Classical songs, arias, national and popular songs, etc., in French, English, Polish, Italian, Yiddish, Hebrew.
Costumes: POLIES BERGERES ATELIER.
All proceeds for the benefit of the War Invalids Fund.
For particulars call 6350, Tel Aviv.

Where to Go

TEL AVIV

9-1; 3-7: Drawings by Abba. Mikra Studio, 56 Allenby Rd.

10-4: Gouaches by Eliahu Sigard; Tel Aviv Museum.

7.30 & 9.45 p.m.: "Cross-word;" Li-La-Lo Theatre; Yasha Haifetz Hall.

8 p.m.: "Tartuffe;" Chamber Theatre, Mograbi Hall.

SUPREME COURT CASES TODAY

Before Justices Dunkelblum, Assaf and Agranat: (H.C.116/50): Ibrahim Sad Ed Din Mamlock (rep. by Eisenberg) v. Minister of Defence & Others. (H.C.117/50): Kasam M. Mamlock (rep. by Eisenberg) v. Minister of Defence and Others (H.C.175/50): L. Levy and Others (rep. by Weisel) v. Ramat Gan Municipal Council. (H.C.110/50): A. Adler (rep. by Vardi) v. Inspector General of Police and Others. (H.C.179/50): Modi'in Publishers Ltd. (rep. by Bruchstein) v. Chief Military Censor and Others.

WANTED
Experienced Land Surveyor
Apply:
Weizmann Institute, Rehovot.

WANTED
experienced commercial typist (female) in English and French who can take quick dictation in long-hand
Knowledge of Hebrew is an advantage.
Apply with C. V. and salary required to P.O.B. 1909, TEL AVIV.

PERFORMANCES OF
TINO ROSSI
and his troupe.
"REVUE DE PARIS"
Today, Monday, Jan. 1 — OHEL SHEM, Tel Aviv.
Tuesday, Jan. 2 — EDISON, Jerusalem
Wednesday, Jan. 3 — Hof Hadera
Thursday, Jan. 4 — JAFFA-OR, Jaffa (2 perf.)
Friday, Jan. 5 — AMPHITHEATRE, Haifa.
Saturday, Jan. 6 — BET HAAM, Kiryat Haim

WANTED IMMEDIATELY
SECRETARY
(male or female)
Experienced typist with excellent knowledge of Hebrew. Other languages desirable.
Apply, attaching references of experience and short curriculum vitae to:
F.S., P.O.B. 2911, Tel Aviv.

Experienced Accountant and Senior Clerk
Knowledge of Hebrew, English, French and Arabic. Perfect knowledge in accountancy, correspondence, typing, translation and all office and hotel administrative routines, seeks suitable position in an hotel or other administration in Jerusalem or any other town. Best references. Apply to No. 14488, P.O.B. 81, Jerusalem.

THE UPJOHN COMPANY
Registered Proprietors of Patent No. 3844 "Sponge-like substance for therapeutic purposes and process of making it" wish to grant licences under said patent.
Apply: Cohen Zedek & Spisbach, Patent Attorneys, 122 Allenby Rd., Tel Aviv.

THE PUBLIC AUCTION MARKET
will shortly hold a property sale by auction. Vendors wishing to dispose of Houses, Cooperative Houses or Plots, please contact Mr. Cohen at the office
10 Herzl Street, Room 24, Tel Aviv, Tel. 3010, between 9 a.m.—1 p.m.

STATE OF ISRAEL
ממשלת ישראל

Notices to the Public

ANNOUNCEMENT

All successful candidates at the Palestine Matriculation examination held in March-April, 1948 whose names were published at the time in the pass list as qualifying for the Palestine Matriculation Certificate of the Palestine Secondary School Certificate are hereby notified that the certificates are now ready for distribution to the candidates concerned. Candidates wishing to receive their certificates should send the following details to Mr. J.L. Benor, Ministry of Education, P.O. Box 7061, Jerusalem:—

1— Full name of candidate (as given at the time of registration for the examination).
2— Name of school which entered him to the examination. (If unattached the fact should be stated).
3— Candidate's date of birth.
4— Candidate's full present address, and new name, if changed in the meantime.

Candidates now living in Arab countries should send these details through the Israeli Consulate, Nicosia, Cyprus.

GOVERNMENT OFFICE HOURS

Government offices will be open to the public every weekday from 9.30 a.m. to 12 noon and on Sundays and Wednesdays from 3.30 to 5 p.m.

DISTRIBUTION OF SEED POTATOES

The Ministry of Agriculture announces that gardeners, small farm and household farm owners who are not affiliated with cooperatives, consumers supply associations, etc. may purchase seed potatoes at seed shops only with the approval of the District offices of the Ministry of Agriculture.

Such approval is being granted at the District Office for the Southern Area in Tel Aviv, Rehov Jaffa-Tel Aviv, Romano Bldg.; and at the District Office of the Northern Area in Haifa, 21 Kingsway, every weekday except Friday, 10 a.m.-1 p.m.

Farms who have ordered seed potatoes from importers (Hamashbir Hamercazi, Amir, Shuk Haklai, Hasspaka) will receive their seed from the companies after the order list has been approved by the Field Crops Department of the Ministry of Agriculture.

All companies must submit their order lists for approval at a date not later than January 5, 1951.

LONDON

CLOSING,	DEC. 28.	29.-
2½% Consols	70⅝	70⅝
3½% War Loan	94 5/16	94 5/16
6½% Brazil "B"	77	77
5% Chile	47¼	47¼
4% Japan	33½	34
Anglo-Iranian Oil	112/6	110/7½
Ashanti Goldfields	31/9	31/9
Atkinson Oates	30/3	30/6
Brakpan	21/3	21/3
Burmah Oil	52/6	51/10½
Carreras "A" Ord.	118/9	118/9
Courtaulds Ord.	39/1½	39/1½
De Beers Pref.	18½	18½
Dunlop Ord.	55/6	55/-
Eastern Transvaal	3/9	3/9
Gen. Electric Ord.	82/6	82/6
General Mining	5⅝	5⅝
Hudson Bay	98/7½	98/7½
I.C.I.	42/7½	42/4½
Jerus. Electric	13/6	13/6
Marks&SpencerOrd	82/4½	82/3
Mexican Eagles	19/1½	18/10½
North Broken Hill	72/7½	72/9
Pal. Electric	21/9	21/9
Rhokana Corp.	20c.e.	20 3/16
Roan Antelope	18/4½	18/-
Selection Trust	40/6	40/6
Shell Transport	67/6	66/10½
Simmer & Jack	6/10½	6/10½
S.A. Townships	15/-	14/9
Sub Nigel	4 15/16	4 5/16
Sungei Besi	15/-	15/-
Vickers Ord.	35/10½	35/10½
West. Rand Inv.	39/4½	39/4½

(By arrangement with I. L. Feuchtwanger Bank Limited)

Guests in Israel

are cordially invited to visit the Tourist Department "TIYUR WETIYUL" תיור וטיול of the Histadurut, Vaad Hapoel Bldg., Tel. 4294, 115 Allenby Rd., Tel Aviv

All services and facilities for visiting the Country and Institutions.

Today's POST BAG

THE WEATHER

	*A	B	C	D
Mt. Cana'an	86	7	10	12
Haifa	74	13	20	21
Natanya	25	13	22	23
Hakirya	42	10	21	22
Lydda	48	11	20	22
Jerusalem	21	8	14	15
Beersheba	13	8	19	20

Forecast: Partly cloudy to cloudy in the North. No rain expected.

*A) Humidity at 3 p.m. yesterday
B) Minimum temp. yesterday.
C) Maximum temp. yesterday.
D) Maxim. temp. expected today

* * *

CRIMINAL CASES filed in the Tel Aviv Magistrate's Court totalled 23,600 during 1950, an increase of about 60 per cent over last year.

* * *

A SOLDIER was arrested yesterday for the accidental shooting of an immigrant woman last Thursday near the Mivtahayim **ma'abara.**

* * *

AIR LETTER service will be extended to Algeria, Morocco, Tunis and Tangiers beginning today.

* * *

THE HAIFA Offices of the Czechoslovak Consulate are today moving to 47 Kingsway.

U.N. Officer's Body Brought to J'lem

The body of Major Raymond A. Lepesqueur, U.N. Observer, who was killed in a road accident near Natanya on Friday, was brought to Jerusalem yesterday from a military hospital where the body had lain over the weekend.

Before the coffin was taken to Jerusalem, the senior member of the Israel delegation to the Syrian and Lebanese Mixed Armistice Commissions laid wreaths on the coffin for the delegates of the three nations. Major Lepesqueur was attached to the M.A.C.'s. The Aide-de-Camp of the Chief of the General Staff also placed a wreath on the coffin.

The coffin was attended by an Israel Army guard, and was escorted by senior U.N. officers and high-ranking Israel Army officers. Representatives of General Headquarters met the cortege on the approaches to the city.

The body will lie in state at Government House before being transported to the U.S.

Lt.-Col. Metz, U.N. senior Observer, expressed the appreciation of the Truce Supervision Organization for the "excellent cooperation and help" extended by the Israel Army. Condolences of the Army were extended by Sgan-Aloof Shaul Ramati to the Truce Supervision Organization, and asked that they be conveyed to the family of the deceased.

EMERGENCY PHARMACIES

TEL AVIV: "Doctor's Call" — 8353, 2245 (2 Nahlat Binyamin, corner Carmel). **After midnight,** Hadassah Hospital, Abramsky, 12 Allenby, 3526, Greenberg, 46 Ging George, 2643, Sneh, 33 Ha'aliya, 4993, Nordau, 183 Ben Yehuda, 66730. **Hatikva Quarter:** Hatikva, **Ramat Gan:** Ramat Gan, 57 Bialik, **Givatayim:** Noga, opp. Fire Brigade. **Jaffa:** Levy, 4 Rehov 2, 80104.

Ration News

JERUSALEM — Tomatoes: 250 grams. Tet 234, zones 2, 8. Eggs: children 7, adults 4. Lamed 27. Poultry: for ill persons.

TEL AVIV — Bananas: zones 1, 2, 3, 300 grams. Zayin 23, temporary residents 32, ration cards Aleph and Bet. Poultry: for ill persons, zones 6, 7, 500 grams; for aged persons, 250 grams. Apples: zones 3, 4, 5, 6, 500 grams. Shin-Aleph 17, temporary residents 35, ration card Aleph. Potatoes: extra rations for vegetarians, 1 kilogram.

HAIFA AND SAMARIA — Milk: ration card Aleph, 15 litres per month; Bet, 9 litres; expectant mothers 13 litres; aged persons, 7 litres; ill persons, 13 litres. Eggs: children 7, adults 4. Lamed 27, temporary residents 3; aged persons will receive 4 eggs against coupon 7. Butter: for ill persons, Het-Aleph 1, Het-Bet 1, Het-Gimel 1. Het-Dalet 1. Meat: 125 grams, Kuf 9, temporary residents 11; physical labourers, 500 grams additional. Meat substitute: 3 eggs, Kuf 7, 8. Poultry: ill persons 250 grams. Fish: 150 grams, Shin-Gimel 25.

Ben Gurion To Speak Tomorrow

The statement to the Knesset of the Defence Minister, Mr. David Ben Gurion, on the new Civil Defence Bill and on Israel's position in face of the threatening world crisis, which was scheduled for today, has been postponed until tomorrow evening.

The weekly session of the Knesset will open at 4 o'clock this afternoon, and it is hoped the debate on economic and fiscal policy will be concluded by tomorrow afternoon.

The debate on alleged discrimination in the civil service which the Knesset decided upon last week, is last on the 16-item published agenda, which includes some subjects that have been printed regularly in the agenda for weeks past, but have not yet come to the floor.

Marine Trust Appeals To Two Ministers

TEL AVIV, Sunday. — The Ministers of Labour and Communications were today urged by the Marine Trust, Ltd., to intervene in the Tel Aviv port conflict.

In a telegram, the management agreed to abide by any decision taken by the Ministers. The Marine Trust was "puzzled," the message said, by press reports that the Histadrut Executive's Central Committee had backed all the demands put forward by the workers although a compromise proposed by Mr. Wertheim, head of the Labour Relations Department of the Ministry of Labour, had granted most of the workers' demands.

Yakhin Growers Ask Inquiry Committee

TEL AVIV, Sunday. — The establishment of an independent inquiry committee to investigate conditions of orange-growing and marketing was urged by Mr. Y. Chorin, manager of the Yakhin marketing co-operative, in an open letter to the press today.

It was not proper, Mr. Chorin said, to represent a basically healthy citrus industry as bankrupt at the beginning of the season.

The Farmers' Association at its meeting tomorrow will consider a demand by several of its members to stop delivery of oranges for industrial purposes.

Gottlieb Contempt Hearing Tomorrow

BEERSHEBA, Sunday. — Dr. Yitzhak Gottlieb, surgeon of the Hadassah Hospital here, will appear before the Supreme Court in Jerusalem on Tuesday, on charges of contempt of court. Dr. Gottlieb has reportedly failed to turn over the custody of his four-year-old son, Dov, to the boy's mother, Mrs. R. Gottlieb.

The surgeon was arrested here on Thursday on a charge of having obstructed the police in its efforts to find the boy, but was released on bail the following morning to enable him to carry on with his duties at the hospital.

The case of the child was first brought before an Israel Court in March, 1950, after having been heard in England in May, 1949. Mrs. Gottlieb was granted custody of the son on December 6.

Ritov Case Ends

HAIFA, Sunday. — The case against Gershon Ritov and five others accused of provoking a brawl and assaulting the police was summed up today in the Haifa District Court.

BEERSHEBA BUILDS

BEERSHEBA, Sunday.—Mrs. Golda Myerson, Minister of Labour, attended the Histadrut anniversary celebrations here today, and officially opened the new Amidar housing estate.

During the day the cornerstone of a new hotel to be established by the Histadrut, and of a new Solel Boneh garage, were also laid.

T.A. Council Approves Gov't Loans for New Buildings

TEL AVIV, Sunday.—The first business undertaken by the new Municipal Council at its meeting here tonight was the approval of Government loans totalling IL.195,000 for the construction of a hospital in Sarona, new schools and a municipal building in the new market. Some of the recently elected Labour Bloc members did not vote, asserting that they were not familiar with the merits of the proposals. Mr. E. Peri, Mr. I. Guri and Mr. Z. Lubianiker, veteran Labour members, however, voted for most of Mr. Rokach's proposals.

Among other contracts approved was one to build new classes in two Agudat Israel schools. Mr. I. Guri (Mapam) objected that the allocation for this had not been passed by the Finance Committee, as is required. Mr. Rokach promised to keep to the letter of the law when making budget allocations in future.

The Council also heard declarations of policy by Rabbi M. I. Abramovitz for the Agudat Israel; Dr. M. Cohen, for Herut; Mr. D. Z. Pinkas, for Mizrahi; Mr. S. Malachi, for the Yemenites; and Mr. S. Shoshani, for the Landlords. The religious Councillors asked for stricter implementation of the Sabbath anti-traffic by-laws, and the construction of several ritual bath buildings.

Mayor Rokach said the Municipality has spent IL.81,600 this year for drainage in several areas liable to inundation in the winter. He was answering a question by Miss E. Wilenska.

The main item on the agenda today was the interpellation by Mr. E. Schechter (Mapai) on the current revaluation of the basis for municipal taxes. Mr. Guri, however, noted that the journalists had been in the habit of quitting the Council's meeting at eight o'clock sharp, and in order that the public be kept informed on such an important debate, it should be postponed. It was agreed that the Council's meetings in future will last three hours, starting at 5.45. The interpellation will be taken up next Sunday.

MAYORALTY DEADLOCK

The results of election meetings held yesterday in Municipal and Local Councils were:

Petah Tikva.—The first ballot for Mayor resulted in a tie. The out-going Mayor, Mr. Y. Saphir, and the Mapai candidate, Mr. Pinhas Rashish, received seven votes each. Mr. M. Schwartz, the Mizrahi member, cast a vote for himself, while the Hapoel Hamizrahi and Agudat Israel workers abstained.

After the vote, Mr. M. Hazani (Hapoel Hamizrahi) resigned, and his place was taken by Mr. S. Ben Dor, who is known to be a supporter of the Histadrut candidate.

The Council will meet today.

Natanya.—By nine votes to two the 15-member Municipal Council decided to postpone the election of a Mayor until tomorrow. After the out-going Mayor, Mr. O. Ben Aml, had reviewed the work of the last Municipality, Mr. A. Rigler (Hapoel Hamizrahi) asked for a postponement.

He was supported by the three General Zionist members, three Herut members, the other Hapoel Hamizrahi Councillor and Mr. A. Rot, one of the three Histadrut members. The other Histadrut men voted against postponement, while the two Mapam and two Progressive Councillors abstained.

Ramat Gan. — Mr. A. Krinitzi (General Zionist) was re-elected Mayor by nine votes to five. Three members abstained. Those voting in his favour were the six General Zionists, one Progressive, one Hapoel Hamizrahi, and one Agudat Israel. The five Histadrut Councillors voted against, while the two Herut and one Sephardi members abstained. Mr. Y. Eisenstein was elected Deputy Mayor.

Rehovot.—No Mayor was elected at the first meeting of the 15-member Municipal Council. Another meeting is to be held tonight. None of the three names put forward received the majority required.

The out-going Mayor, Mr. Benzion Hurewitz (Mapai) received six votes (four Histadrut and two Yemenites), Mr. Oved Eisenberg (General Zionists) received four votes (three General Zionists and one Herut), while Rabbi Elimelech Bar-Shaul (Religious Bloc) received three votes (two Religions Bloc and one Yemenite). The two Mapam members of the Council abstained.

Holon.—Dr. H. Kugel was re-elected Mayor by the 10 votes of Mapai, Hapoel Hamizrahi, and Mapam, Mr. Yitzhak Semmler, Mapam, was elected Deputy Mayor.

Tiberias.—Mr. M. Weill (Histadrut) was elected Mayor. He was supported by five Histadrut, two Orthodox Bloc and one Sephardi members.

The Mapam member and two General Zionists abstained. Mr. Asher Sofer, (Agudat Israel) was elected Deputy Mayor by the same eight votes. The Council's Executive includes five members — three Histadrut, one Orthodox Bloc and one Sephardi.

Lydda.—Mr. Pesach Lev (Mapai) was elected Mayor by the votes of his party members, the Arab Labour League Councillor and the Hapoel Hamizrahi member. Mapam members abstained.

Hadera. — Mr. David Berman (Mapai) was re-elected Mayor by nine votes to six. The six were cast for the Mizrahi candidate, Mr. D. Y. Rabinovitz. Hapoel Hamizrahi and Mapam voted for Mr. Berman.

Kfar Saba.—Mr. A. Keren (Mapai) was elected chairman of the 11-man Local Council by five Mapai and one General Zionist votes. The three Mapam Councillors voted for their own candidate, while the two Hapoel Hamizrahi members abstained.

Nahariya — Mr. Gershon Tatz (Histadrut) was re-elected Chairman of the Local Council today. He was chosen by three Histadrut, two Mapam and two Progressive members.

Kiryat Motzkin. — The Local Council elected Mr. L. Grushkevich (General Zionists) as chairman. The vote was 6 to 5.

Beersheba To Be Linked To Electric Network

BEERSHEBA, Sunday. — The Beersheba Municipality has reached agreement with the Palestine Electric Corporation for this town to be linked up with the country-wide electric power system.

The first instalment of IL.35,000 to be paid by the Council has already been handed over, and work on the high tension line is to begin soon. It is expected to be completed within three months.

The new line is expected to lead to a rapid expansion of local industries here. Until now the town has been supplied by a small local generator.

WORK ON SDOM ROAD TO BEGIN THIS WEEK

BEERSHEBA, Sunday.— Preliminary surveying work on the new road from here to Sdom at the southern end of the Dead Sea, has now been completed. Construction is to begin this week.

All Things for All Men in 1951

What does the New Year hold in store for us? Madame Laila, the "Indian seer" in Israel has all the answers.

"Next year there will be war," she says. She would not disclose the date, but it will be "so soon you can catch it with your hand." "Israel will remain neutral," she added, and "economically and politically she will prosper."

Madame Laila is ample, amiable and well over 50. She does not exude the air of mystery one might expect; she does charge IL.5 a visit.

Indian-born, she said she predicted the two world wars. In 1933 she prophesied that "Hitler will provoke war, but France and Poland will be the only combatants."

On the Jerusalem issue, Madame Laila foresaw that "Jerusalem will be the capital of Israel and the crown of the world."

Minerals and precious stones will be found in the Negev and Haifa Chemicals, too.

English, Hungarian and Rumanian Jews will be responsible for the discoveries.

Madame Laila's parting words were cheerful.

"The food situation will improve," she promised. "There will be better food before the politicians promise it."

Some 'Winter Parents' Return Children

TEL AVIV, Sunday. — "Operation Korat Gag" will be resumed this week due to the fact that children have been returned by families who are unwilling to keep them.

The Jewish Agency reports that difficulties arose when boys were sent when girls were asked for, and vice versa, or when children did not speak the language specified.

Leeway Needed

New homes are now urgently needed for these children. The Agency points out that if the campaign is to be a success, volunteers must permit some leeway in fulfilling requests as to age, sex and origin of the children, since otherwise all children in need of homes could not possibly be billeted.

In Natanya a new medical examination station has been set up, which at the close of the operation will be converted into a home for 125 camp children.

A report from Ramat Gan says that private households would accommodate 350 children, while a boarding school was being set up for an additional 60 to be financed by the Municipality and voluntary subscriptions.

Truck Driver Jailed For Killing Child

TEL AVIV, Sunday (ITIM). — For causing the death of an eight-month-old child last April, Yosef Kriegel, 48, a truck driver from Bat Yam, was sentenced to six months' imprisonment by the District Court here today.

Kriegel was also sentenced to two additional months' imprisonment for driving a truck with mechanical defects. The sentences will run concurrently.

The accident occurred in a parking lot in Bat Yam when the accused backed into the carriage in which the child was lying.

U.K. Considers Iran More Vital Than Suez

LONDON, Sunday (UP). — British defence experts are looking for alternatives to the Suez Canal zone in expectation of a withdrawal from that area when the Anglo-Egyptian treaty expires in 1956. Well informed sources said it was being borne in mind that the next six years would give comparatively short notice for the preparation of alternative bases. They must be found and got ready before any withdrawal from the Canal zone could be undertaken.

It is pointed out that the defence experts nowadays are not inclined to place great emphasis on the Canal zone from the viewpoint of Middle East defences as a whole. Informed quarters say that the new strategic concept tended to place greater emphasis on Turkey as the heart of Middle Eastern defences and that this idea was finding increasing approval among U.S. defence experts.

Middle East strategy is being studied today in terms of Iran becoming the Russian invasion route aimed at assuming control of the fountain head of the West's strategic oil supplies. An expert explained: "Today there is not the pressing need to defend the Canal to ensure oil supplies, which can now be piped to the Mediterranean. It is necessary however, to have bases for the defence of Iran and Iraq."

Crossman Asks £40m. U.K. Loan to Jordan

LONDON, Sunday (INA). — A £40m. British grant to Jordan to enable her to resettle the Palestine refugees was suggested by Mr. Richard Crossman, M.P., in a despatch from Amman published in today's "Sunday Pictorial."

Stressing Jordan's importance in the defence of the Middle East, Mr. Crossman highly praised Abdullah under whose "paternal guidance, Trans-Jordan became the one Arab country where an Englishman could feel himself really welcome."

Asserting that the problem of half a million refugees in Jordan cannot be solved "as long as we rely on U.N. to do the job which it can never do," Mr. Crossman said, "£40m. in aid for resettling the refugees, accompanied by generous technical assistance would remoralize this little country. If we are hold enough to undertake this kind of programme speedily, we can create conditions for peace between a new Jordan and new Israel. If we don't, we may lose our last friend in the Arab world."

Mr. Crossman crossed the lines at Mandelbaum Gate in Jerusalem yesterday from the Old City after a visit of a week in Jordan.

He left immediately for Rehovot.

AN HOUR-long stoppage of electricity occurred in Jerusalem yesterday in the Princess Mary Avenue area following a breakdown at the power station.

Cables in Brief

FLOOD — Six persons perished and 30 others are missing in week-end floods in northern Morocco.

U.S. ALIENS — An estimated four million aliens living in the U.S. will begin registration today under the Internal Security Act of 1950. It will be repeated annually.

AMNESTY — Yugoslavia has announced an amnesty for more than 11,000 political prisoners, including peasants who had defaulted on state orders of wheat deliveries, war-time collaborators, and juvenile offenders.

SAVING — Strict economies in raw materials, fuel and manpower have been ordered by the Hungarian Council of Ministers. Vital raw materials to be used in smaller quantities include oil, concrete, cotton, leather, paper and sheet and forged metals.

ERITREA — Unionists and Independents, who have of late been blood enemies, have pledged their united efforts towards the "loyal implementation" of the U.N. plan to federate Eritrea with Ethiopia under Hailie Selassie.

TAHA HUSSEIN, Egypt's blind Minister of Education has been awarded the title of Pasha by Farouk for his efforts to bring about universal education in the country.

Catholics Urge Work For Arab Refugees

ROME., Sunday (UP).— The Sacred Congregation for the Propagation of the Faith reported yesterday that the unemployment of thousands of D.P.'s was the major problem in Arab-held Palestine and required a "dignified solution."

A report from the Old City, released in "Fides," the Congregation's information bulletin, said that "a major problem, if not the major problem, of Palestine is the unemployment of so many D.P.'s who are living on the doles of international relief agencies. Ways must be found to enable them to earn a living through work which is accepted on its own merit."

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The following prices were decided upon by the Union of Driving Schools in Israel for driving lessons lasting 25 minutes, starting January 1, 1951:

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Union of Driving Schools, Jerusalem Branch
Union of Driving Schools, Tel Aviv Branch
Union of Driving Schools, Northern (Haifa) Branch

MUNICIPAL CORPORATION OF HAIFA

NOTICE No. 1/51

Publication of the Assessment List for Kiryat Hayim, Kiryat Shmuel, Kiryat Hashmal, the Industrial Area in Haifa Bay and its lands, Northern Hawassah, Al-Siah and Northern Tira.

Notice is hereby given that the above assessment list for the financial year ending March 31, 1951, was published on January 1, 1951, and copies thereof have been posted for inspection at the following places:—

(1) Assessment Section, Town Hall, Hassan Shukri St., Haifa.
(2) The Municipal Offices in Kiryat Hayim, "Kaf" St., Camp 5, Haifa.
(3) The Offices of the Manufacturers' Association of Israel, Bovis House, New Business Centre, Haifa.
(4) The Offices of the Kiryat Shmuel Committee, Kiryat Shmuel, Haifa.

2. The above districts are included in the following blocks and parcels:—

(a) All parcels in blocks 10680—10685 inclusive, 10732, 10735—10743 inclusive, 10894, 11219, 11530, 11547—11549 inclusive, 11565—11569 inclusive, 11571—11576 inclusive, 11578—11582 inclusive, 11584—11588 inclusive, 11601—11605 inclusive, 11610, 11629, 11630, 11635, 11646—11648 inclusive, 11656—11658 inclusive, 11661—11666 inclusive, 12251, 12262, 12254—12264 inclusive, 12268 and 12286.

(b) Parcels 46 and 53—61 inclusive of block 11231; parcels 1—32 inclusive, part of 61 and 83—93 inclusive of block 11563; parcels 1, 2, part of 22, 27—41 inclusive, 87 and 93—142 inclusive of block 11570; parcels 57—60 inclusive, 62—89 inclusive, part of 90 and 102—131 inclusive of block 11569; part of parcel 31, parcels 32 and 33 of block 11580; parcels 1 and part of 125 of block 11590; parcels 3—6 inclusive of block 11625 and parcels 4—9 inclusive, 12—20 inclusive and 30 of block 11660.

3. Any person aggrieved by the assessment may, not later than January 30, 1951, apply for rectification of the assessment, the application to be written on a special form obtainable, free, from any of the above places.

4. In order to enable the Assessment Committee to consider such applications, applicants should in accordance with the law pay into the Municipal Cash a deposit of 200 pruta. In case a decision is given by the Assessment Committee in favour of the applicant, the deposit will be refunded to him; otherwise, it will be forfeited to the Municipal Fund.

5. Persons applying for information are requested to bring with them the number of the block and parcel of their premises for easy reference.

SHABETAY LEVY,
MAYOR OF HAIFA.

January 1, 1951.

THE JERUSALEM
POST

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Monday, January 1, 1951
Tevet 23, 5711. Rabia Awal 23, 1370

A few of the details from the large and colourful canvas of Israel's economic life — no "still life" to be sure — are presented in a special Supplement of *The Post* today, the beginning of the new year. The pictorial map on the front page which illustrates the work that is being done in many fields from Dan to Elath, speaks perhaps more eloquently than all the facts and figures of the professional economists and calculators. The examples of that work, of necessity limited in number, which are the subjects of the various contributions, represent an instructive cross-section and convey more than one lesson.

BUILDING THE STATE

There is, on the one hand, the gratifying 70 per cent increase in agricultural production, which will gain in momentum through the new Export-Import Bank loan and promises to reduce substantially the heavy burden of food imports, a burden even greater today when the international situation makes stock-piling imperative. Side by side with this, the expansion of industry is shown in a few examples which demonstrate clearly the increasing number of places of work thus created, and also the gradual growth of the country's export potential. That industrial production must be competitive in quality and price goes without saying. But another lesson to be drawn from this survey is the urgent need for concentration and coordination, both on the planning and the executive side.

The time has come to form an "Economic War Cabinet" which would lay down policy, decide on priorities, simplify departmental procedure, and see to it that competences and responsibilities are clearly defined. Thus only can red tape and, at the same time, the threat of monopolistic trends be countered. Resolute action will, in the first place, be required on three fronts: that of building materials and wages; in the case of the production and marketing of agricultural products; and third, in the organization of transport. In a more general way, it would be the task of this Inner Cabinet to secure sufficient supplies of food and raw materials, to maintain a high level of employment, to tackle the housing shortage, to keep inflationary pressure under control, and at the same time to combat the black market both in prices and in wages.

A consistent and constructive policy on such lines will not only eliminate waste of money and effort, and prepare the ground for large-scale foreign investments but it will increase the most valuable of all national assets: the confidence of the anonymous citizen who is building the State.

TENT-TENTS

THOSE who are used to spending the winter behind an ample thickness of grey Jerusalem stone or ochreous Tel Aviv concrete and mortar are rightly sympathetic towards the many who will have to spend the coming winter, or part of it, in tents. We recall that tents have been pitched at both frozen poles of the earth, near the top of Everest, and at the waistband of the planet, whether on the upper limits of Mount Ruwenzori, or on the upper reaches of the Congo, by the Stanley Falls; but those intrepid tent-pitchers were iron men of discovery, not groups of immigrants.

In considering this tent business, we should beware of one meaning of the word, which gives 'tent' as a roll of linen inserted into a wound to keep it open. All such should be resolutely banished from the ma'aberot, and replaced by the other sort of 'tent,' a deep red Spanish wine, which will surely warm the cockles of every heart in every camp. The Army is seeing to it, with efforts more than heroic, that the camps will be able to stand up to the weather, but though present portents are good, we shall have to make greater exertions in 1951 to make all inhabitants of Israel content.

ISRAEL'S INFLUENCE AT UNITED NATIONS

Foreign Policy Balance Sheet

By Jon Kimche

LONDON — Mr. Moshe Sharett is returning from Lake Success after one of the signal diplomatic successes of recent years. It is all the more striking for having taken place in the discretion of the Assembly's back room and not with any showiness on the already far too abused speakers' platform of the U.N. Mr. Sharett's success was three-fold.

Almost from the outset he won acceptance of Israel as a considerable force in the U.N. — and that at the first Assembly in which she took part from the outset as a fully fledged member. There was no suggestion any longer that Israel was there on sufferance or even in the dock.

The second marked feature was the close liaison which developed behind the scenes between the British and the Israel delegations. In the crucial discussions on the Acheson proposals for circumventing the Soviet veto on the Security Council, it was largely the coordinated amendments proposed by the two delegations that saved the plan from the pitfalls of the original proposal.

The same was true again during the various discussions on Korea, when Israel's particular and persuasive influence with some countries and Britain's with some others were again much in evidence behind the formal facade of the Assembly.

Non-Identification

The third and most significant success was the emergence on an international plane of what Mr. Sharett likes to call Israel's policy of "non-identification" with the contending East and West blocs. Practised by Israel alone this was always a somewhat unreal assumption. But the policy has now received an extension and development which gives it a new aspect.

Israel like India and even to some extent Britain emerged in this Assembly as a country which was on relatively good terms and also respected by the countries of the West as well as the East. Thus in the key issue of Communist China all three practised a policy of non-identification with either Russian or American policy — a policy which in the event was almost entirely echoed by all the Asian and Middle East countries.

Israel's Foreign Minister, Mr. Moshe Sharett (left), and India's representative, Sir Benegal Rau, photographed during one of the quiet discussions in the lobbies of the U.N. which have determined many of its historic resolutions.

The remarkable thing about the resolutions sponsored by the Asian and Arab countries to bring about a Cease Fire and a settlement of the Korean problem in the last phase of the Assembly was that this was made possible only by the previous spade-work of Sir Benegal Rau and Mr. Sharett.

The fact that Mr. Sharett had to retire from the scene and Israel's name had to be omitted from the list of Asiatic and Middle Eastern sponsoring countries of the resolutions reveals the other side of the picture — the remaining grave gap in Israel's foreign policy: the absence of a settlement with Israel's Arab neighbours.

Suspicion and Doubt

It is sometimes suggested that the time has come when Britain should form a closer alliance with Israel, or that Israel should play a more prominent part in the economic organization and the military defence of the Middle East as a whole. From a British point of view and from the U.N. angle both are impossible without a previous settlement of Arab-Israeli differences.

Economically and demographically it becomes increasingly difficult to make the kind of proposals on the refugee question which would be acceptable to the Arab states. Yet contrary to Israel's expectation, time has contributed no solution; it has if anything acerbated the issues. One of the principal causes of this is the suspicion and uncertainty towards the Arabs in Israel and towards the neighbouring Arab states.

In the present international situation where Israel's standing ranks high it might contribute considerably to the lessening of tension between Israel and the Arab states if Israel's policy towards her own Arabs and towards the Arab world generally — and particularly the refugees — were clearly and openly enunciated. For such a settlement is the prerequisite for everything that Israel and the Arab Middle East need in the political, in the economic and in the strategic fields.

Perhaps the current discussions for an Israeli-Turkish alliance, which have been proceeding in Turkey according to fairly reliable reports, may be the means of this necessary new turn in Israel's foreign policy.

BURMA'S LEFT WATCHES CHINA

By E. V. Foucar

RANGOON is watching events in Korea uneasily, the city's newspapers blazoning reports from Tokyo and Washington. Press comment on Communist China is on the whole restrained, reflecting the cautious attitude of a people who are conscious of their country's proximity to China, and who fully appreciate that only a small proportion of the Chinese forces engaged in Korea would be needed for the conquest of Burma.

Meanwhile, there are signs of a growing link-up between Burmese Leftists and China. Chinese societies in Rangoon which support China's new regime are increasing their activities and publicly denouncing "Kuomintang reactionaries." Leading Burmese Leftists support these denunciations. The rebel Communist leader, Thakin Than Tun, is reported to have asked for aid from the Chinese, offering them by way of reward a substantial slice of Upper Burma, disregarding the obvious fact that it is already theirs for the taking. It is believed that some Burmese Communists are at present receiving military training in China — a story that is strongly reminiscent of events before the Japanese invasion of 1942, when certain anti-British Burmans escaped to Japan for military training.

New Party

The most important development recently has been the resignation of 43 members of the Socialist Party which reputedly dominates the Government. The resignations include several Members of Parliament plus all prominent Leftists including Thakin Lwin, former Labour Minister and President of the Trade Union Congress of Burma. The reasons for this move are said to be the Socialist Party's deviations from the ideals of Leninism, on which the Party was originally based, and its lack of democracy. The secessionists have formed a new "Workers and Peasants Party" which threatens to be a strong force in Burmese politics, having the support of the Trade Union Congress and the Peasants' organizations.

OFNS

Readers' Letters

THE PRESS AND CENSORSHIP

To the Editor of The POST

Sir, — In your editorial this morning, taking issue with the penalty imposed on a newspaper for contravening censorship regulations, you say, "If the Chief of Staff had sufficient cause to reject the Committee's verdict, he should not be unwilling to disclose these to the public."

Although the agreement, endorsed by representatives of the press and of the General Staff, setting up a joint advisory board to consider censorship transgressions states specifically that its operations and decisions will be secret and it is not obliged to publish explanations of its decisions," it may be helpful in this case, since a one-sided version has already been disclosed, to make known the reason for the closing of a newspaper on Monday.

This newspaper submitted an article for censorship. It was banned by the censor. Despite this ban, the newspaper proceeded to publish it. Quite apart from the contents, and apart from the merits or demerits of censorship, refusal to obey such an order is clearly the gravest possible transgression against censorship regulations, and calls for a grave penalty.

Three Members

The joint board which considers such cases is composed of a representative of the press, a representative of the Army and a representative of the public, usually a lawyer. It is specifically laid down in the agreement — and again it is emphasized that this agreement, was endorsed by representatives of the press — that this board is advisory. It recommends action by the General Staff. But it reserves for the General Staff the right not to accept this advice.

Incidentally, your editorial refers to an earlier case in which a paper was suspended, giving as the reason that "it was a heading that was objected to." The fact is that the heading contained the kernel of those passages in the story which the censor had found offensive and the deletion of which he had ordered. Publication of the heading was thus an evasion of censorship.

For good or ill, we in this country are living in a state of emergency. In emergency the General Staff has the very heavy responsibilities of safeguarding the security of the state and of preventing security leakages which are likely to endanger the lives of the troops. So long as censorship exists, it is clear that its regulations must be obeyed. The General Staff cannot lightly condone direct refusal to obey these regulations. In imposing this week's penalty, the General Staff was not only acting within its rights and powers and obligations but doing so in full accord with the letter and spirit of the agreement drawn up to the satisfaction both of the Army and of the representatives of the press.

Yours, etc.

ARMY PUBLIC RELATIONS UNIT

Tel Aviv, Dec. 27.

EDITOR'S NOTE —

It is not denied that in this case censorship regulations were infringed: it was claimed that the punishment failed to take important mitigating circumstances into account. Unfortunately the details of these circumstances themselves are censored, but the fact was that the inclusion of a report of the case without awaiting the censor's approval, as it had been obtained from a source normally guaranteeing its admissibility. When the ban was telephoned it was technically difficult — if not impossible — to delete the material.

Even so, the main objection raised in our editorial was to the fact that in this matter the Army functions as prosecutor and judge, and that the decision of the special tribunal was rejected although it was unanimous. We expressed regret that the Knesset has not yet replaced the Defence (Emergency) Regulations of 1945 which give powers to an official at his discretion and without assigning any reason therefore to suspend a newspaper's licence.

The drafters of the Agreement between the Press and the Army, as the result of which the tribunal was established, had been of the opinion that while the Army would reserve the right to reverse decisions in which its representative had not concurred, any unanimous decision would be accepted. In the case of the two newspapers whose fines were not upheld, but which were instead suspended, the decisions had in fact been reached unanimously.

The fact that the General Staff's action was not in "accord with the letter and spirit of the agreement" between the Army and the Press was unanimously expressed by the Editors of all the daily papers at a meeting last week.

WICKS WANTED

To the Editor of The POST

Sir, — Why is it that for months no round wick has been obtainable? Both wicks and wick-burners are fabricated locally, and at a time the Government itself made great propaganda for them. Why have people who do not possess an electric or a Butagas stove to be harassed still more than absolutely necessary?

Yours, etc.

ELIZABETH COHEN

Jerusalem, December 1.

KEEPING POSTED

"By normal standards the economics of the country are crazy... Britain's overseas trade problems seem insignificant by comparison," writes a friendly observer, Mr. Woodrow Wyatt, M.P., in his report "The Jews At Home," which has just appeared as a "Tribune" pamphlet. This recalls an argument which one of the old Zionist leaders, now no longer with us, used when explaining the financial methods of the Movement. "The difference between the Gentiles and ourselves is this," he said. "When the Gentiles propose to build a cathedral, they will first draw up the designs, then they will collect all the funds required, after that they will begin with the foundations, proceed with the walls, end with the clocktower, and only when all is complete will they put up the clocks. We Zionists do it the other way round — we begin with the clock."

•

A few days ago, when we met a bus driver we know, he told us that he was looking for a room in Tel Aviv, and

that it wasn't easy. He had, as a matter of fact, been offered a place that was something of a bargain, but the difficulty was that it was a long way from the garage where he had to report for work pretty early in the morning. His management was very particular, and when you considered how unreliable the bus services were at that time of day... He says he is still looking for a place near enough the garage to walk to work, and let other people take the buses.

•

THE Orchestra has arrived in the United States, and for a little while the controversy whether it is right that only those who have always had a season ticket should be allowed to go to the concerts will lose a little in acrimony. But even this privileged class apparently has its grievances. One ardent concert-goer, though he does not offer to abandon his own seat, which by now is practically hereditary, says he is tired of always seeing the same people every time he goes. "I have had the same man breathing hard down the back of my neck now for 15 years," he complains. "And in front of me is a man who has the scores, even of the most unexpected works, and he conducts all the time, and his wife is a foot-tapper. Next to me is a woman whom I have, so to speak, attended through four pregnancies, and I know the names and sexes of all her children. And at the end of my row is a couple who have been five minutes late steadily ever since 1935. We none of us bother to sit down now till they've come. I still like the music, but I'd like a new audience, this lot is beginning to look so old." If the present system continues, we may

look forward ultimately to an audience of determined octogenarians, grumbling that the steps have got higher and the seats harder, and that it is strange that all the younger generations seem to take no interest in music at all.

•

ACCORDING to a legend told by every professional guide in Jerusalem, the stolen Stone of Scone, on which Britain's kings have been crowned since the 13th century, served first of all as a pillow to Jacob while he dreamed of his struggle with the angels. It seems that when he fell asleep on a hillside near what is now Ramallah, (and which he called Beth El) and was about to dream his historic dream, all the stones wished to serve him, and were miraculously fused into the great boulder that later appeared at Scone. According to a second account, the stone had been cut for Solomon's Temple by one of his Phoenician masons. A geological expert from the Hebrew University, however, says that no red sandstone of this type is to be found in the Judean hills, and that, generally speaking, there is no historic evidence that the stone was taken from this country at all. We happened to be looking at the Stone not so long ago, and it seemed blackish to us rather than red. The throne looked hard, and makes no allowance for stout kings.

This week's contributors are H.W. Goldstein, H. de Haas and D. Galevsky, Haifa.

Books on Architecture.
Engineering, Novels, Heine: 7 vols. etc., English, German and Hungarian books, Polish technical text books, Dutch books on socialism, etc., for sale.
International Booksellers,
85 Allenby Rd., 2nd floor, Tel Aviv.

A lecture (in English)
by Mr. Z. Mendilov
on "THE ENGLISH NOVEL OF TODAY"
will be given under the auspices of
The ISRAEL - BRITAIN ASSOCIATION
on Tuesday, January 2, 1951, at 8.30 p.m. at the Evelina de Rothschild School, 38 Ussishkin St., Rehavia, Jerusalem

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Hadassah Clubs for Overseas Visitors
WEEKLY SEMINARS

Haifa:	Today, Monday, January 1, at 4.30 pm. at the home of Mrs. Oldeon, 18 Hatishbi A St., French Carmel. **Judge B. Rosenblatt, on "The Jewish Agency as a Link Between Israel and World Jewry."**
Tel Aviv:	Tomorrow, Tuesday, January 2, at 4.30 p.m. at The Hadassah Club, 30 Hayarkon St. **Mr. David Crohn, on "Non-Political Organizations in the Upbuilding of Israel."**
Jerusalem:	Wednesday, January 3, at 4 p.m. at the home of Mrs. Sari Berger, 39 Benjamin Metudela Street, Rehavia. **Mr. I. Roskin-Levy, on "The Cooperative Movement in Israel."**

VISITORS IN ISRAEL ARE CORDIALLY INVITED

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Marksmen, Hunters and snipers are invited to take part in the annual countrywide contest to be held at the Hunters' Range, Mt. Carmel, on January 18-22. Cups and Prizes to Winners will be distributed at a Gala Ball at the "Moggido" Hotel on January 20.

For particulars and registration: Hunters' Association, c/o Cripps Café, Herzl St., Haifa, 1.30 a.m.-4.30 p.m.; or P.O.Box 1020, Haifa.

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Special Economic Supplement

THE JERUSALEM POST

TEVET 23, 5711 — JANUARY 1, 1951.

ON THE ECONOMIC FRONT

By E. Mayer-Bentov

THE State of Israel was not born with a silver spoon in its mouth. As a result, not only Government and Knesset, but every citizen is concerned with, and discussing, economic problems. Cost-of-living and inflation, trade balances, the wage-price spiral and, of course, taxation, have become household words.

It is the aim of this Supplement to present a few aspects of Israel's economic effort, in articles specially written by experts. A really comprehensive survey would require a much larger publication. With newsprint allocations being what they are, it was inevitable that many important questions could not be dealt with in these columns, and that only a few individual undertakings could be described. It need hardly be said that the inclusion of a report on a particular firm does by no means imply that it is more important than others working in the same field.

Many a fascinating story is thus missing. The meteoric rise of Soiel Boneh to the largest industrial concern in the whole Middle East, the vital importance of the Palestine Electric Corporation for the development of the country, the prospects of renewed production at the Potash Works and the Haifa Refineries, and of recovery in the diamond industry, the investments in local plants by large foreign firms such as Philco, Phillips and Kaiser-Frazer, to name only a few, — as well as the progress of the "old timers," such as Shemen, Nesher, and the Porcelain Tooth Factory, the rapid expansion of shipping and aviation, of the textiles industry and the tobacco trade — all this had to be omitted; not to mention the economic establishments of the State itself and of the National Institutions, banks and credit institutes, and such crucial problems as housing and transport, or priorities and coordination in economic policy.

At least half the space of this Supplement would have been required for two subjects alone: the budgetary position, and foreign aid. An analysis of the Ordinary and Development Budgets would have to examine, for instance, the question to what extent the present generation can bear the burdens imposed upon it without impairing its own contribution to economic development; or the other question, whether rising fees for Government services are consistent with an otherwise restrictive price policy.

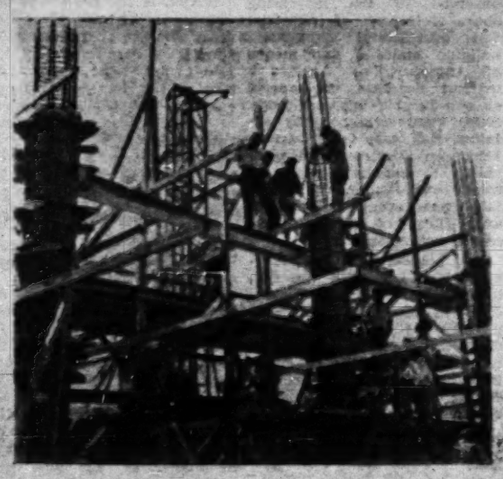
The impact of foreign aid in the form of loans and gifts is another chapter in Israel's methods of public finance which are, from a textbook point-of-view, quite unorthodox. Yet, under the aspect of the history of the Return, more than one parallel could be found in the records of financial responsibilities assumed by the *Golah*.

All that could be attempted was to demonstrate, on a few examples, the constructive and dynamic forces at work, the leadership of the older generation and the initiative of newcomers.

It will be noticed that the authors of the various contributions had complete freedom of expression, and that *entrepreneurs* and Labour are equally well represented. Some of their conclusions are highly controversial, but this again can only help to clarify the issues at stake.

However incomplete, this Supplement will, it is hoped, convince its readers here and abroad that what may seem to be chaos, is in reality inherent in every process of creation, and that on its economic front, too, Israel is far from fighting a losing battle.

Jerusalem Convention Centre in Construction



THIS is one of many building projects entrusted to the building contracting office of Soiel Boneh, Israel's greatest industrial concern and largest employer. The activities of this Labour organization include practically every field of industry, from building and road construction, the production of cement and other building materials, glass, tools and machinery, to steel rolling mills, and ship repair docks. The contribution of Soiel Boneh to the war effort, both in the second world war and the war of liberation was of outstanding importance.

Photo by Braun

Message from Minister of Finance

I CONGRATULATE *The Jerusalem Post* on its initiative in issuing an economic supplement which will, to some extent, illustrate the factors which determine our economy and our economic policy. I should like to point out that only in a few instances does our daily press and the various periodicals published in the country succeed in freeing themselves from a one-sided approach to economic problems and activities.

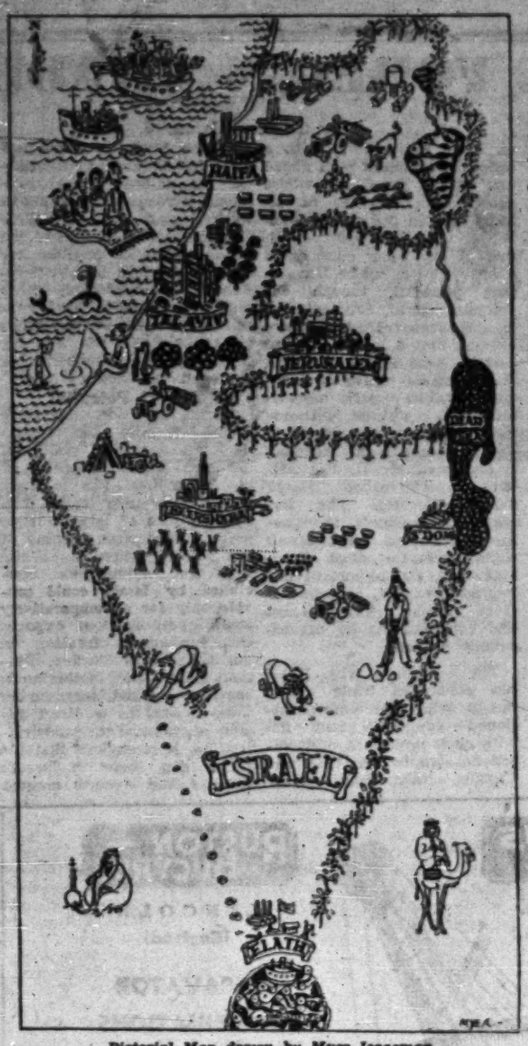
Not only are the large economic objectives which our young state has to face without precedent in the history of colonization with regard to their size, but in their combination they are perhaps unique both in character and significance. Our task is not only to consolidate the state, to watch over its security, to gather in the exiles, and to develop the country for their absorption, but also to create a modern economy which promises a decent standard of life.

Notwithstanding the difficulties which confront us— and as great as our objectives are these difficulties — we are not downhearted. When we took upon ourselves these tasks, we knew it would not be easy to cope with them. We always knew that we could not accomplish them with the forces of the Jewish population of the country alone. We have to rely on the aid of the whole Jewish people and of our friends in the wide world who appreciate the great human values inherent in our work.

For more than two-and-a-half years we have now been engaged in this battle on many fronts. During this period, we have achieved much, surprisingly much perhaps, if one considers the scanty means at our disposal. On the other hand, the difficulties have become increasingly greater, for a great variety of reasons.

If you succeed in giving expression to these aspects, you will be amply rewarded for your effort.

ELIEZER KAPLAN
Minister of Finance



Pictorial Map drawn by Myer Isaacman

THE BUILDERS

If the rafters are gaping—foundations are laid!
Suffice it, my brothers, you toiled not in vain,
New builders will labour with plaster and paint —
For now it suffices, the plumb-line is taut.

.....

Who sneers at small feats? Shame on the mockers!
Deliver your people and take to your tools
Till we hear from the mountains His voices
Resounding, proclaiming: Ascend!

From "Bikkat 'Am" by H. N. Bialik

Message from Minister of Trade And Industry

MAY I first thank you for giving me this opportunity of addressing your readers both at home and overseas. As they are no doubt aware that it is only a few weeks since I took up office, they will, I am sure, not expect me to make any lengthy declaration about plans for the improvement of our general economic position.

I should, however, like to reaffirm through your columns certain basic principles:—

We can in my view ensure the steady development of our economy if we succeed in attracting both capital and manpower to Israel. We require at one and the same time a healthy and parallel development of both private and co-operative undertakings.

We are only at the beginning of our industrial development. We have not yet exploited the natural resources of the country; we have not yet introduced the most efficient methods into our factories with a view to increasing the quality and quantity of production. In our anxiety to increase supplies of goods by local production, we must not forget that in exports quality is decisive. We have to give to the trade-mark "Made in Israel" a guarantee of high standard.

We must give special attention to the fostering of investments in Israel. Potential investors, both in Israel and abroad, must be provided with accurate information on the present situation and prospects in the trade or industry in which they are interested. The special facilities to which they are entitled under the recent Investment Act must be brought to their notice, and when they decide to take the first steps towards the establishment of their new enterprise, we are in duty bound to create around them an atmosphere of goodwill and helpfulness, which will encourage them to surmount the obstacles which face the pioneers of new economic enterprises in any country.

It should not be expected that we can reach very quickly the goals which we have set before ourselves as a nation. The economic upbuilding of Israel is a formidable task which calls for a united effort on the part of Jewry both in the State of Israel and abroad. We have a long way to go, but we are on the march!

J. M. GERI,
Minister of Trade and Industry

A NEW POLICY FOR 1951

By Our Economic Correspondent

WITH the beginning of the new year, the need of a new economic policy becomes urgent, owing to international developments. The Finance Minister, in his survey of the economic position, set two main goals for the near future. Firstly, the raising of productivity in agriculture and industry with the dual object of supplying the population and earning foreign currency; and secondly the fight against inflation. It is, however, by no means clear how these two aims are to be achieved.

The time factor plays a decisive role in economic developments today, not only in Israel but everywhere. In September the Korean crisis began to influence the international market. Today war preparations, war panic and hoarding have left their mark.

New Needs

In September the main trouble of the Treasury was how to find foreign currency for the pressing needs of the population and for raw materials. Today the situation is complicated by the shortage of vital goods on the world-market.

And if during the autumn the mode of "living from ship to mouth" was troublesome and caused many hardships to consumer and producer alike, today it has become positively dangerous. Building up a stock of iron rations has become one of the main tasks of the government and should receive priority over everything else. It is not sufficient therefore to fall back on the formulae evolved some months ago for the definition of our economic policy today.

The goals of increased production and the fight against inflation must be viewed from a new angle because circumstances have changed. The measures taken for the increased production during the last year did not yield the hoped for results. In agriculture, where the position is better than in industry, the farmers need a more powerful incentive to spur them to greater efforts. The Minister of Agriculture took this into account, when he raised prices for vegetables and potatoes by 20 to 25 per cent. Even thus expansion can go on only if the necessary materials for a bigger irrigation network and other agricultural machinery are provided in time. In industry, however, many of the plans for increased production have failed because of the lack of raw materials. Many plants have been forced to slow down or to switch over to new raw materials in order to carry on. Others have been forced to close down altogether. With prices in the world market rising and shortages threatening everywhere, this position is likely to get worse and not better in the near future.

Inefficient Efficiency Boards

But the lack of raw materials does not tell the whole story. The Efficiency Boards which were launched with high hopes in many places did not give the desired results. In some instances they were used chiefly as a means to achieve higher wages. In others the management did not make the necessary exertions in order to introduce the changes which would have made for higher output even without new machinery. A thorough investigation is needed to find out why this drive failed.

There are some indications that industrialists and workers alike are not sufficiently interested in higher output owing to the existence of a sellers market in this country and to a system of taxation which makes earnings over and above a certain amount unattractive. Although the slogan of higher productivity remains as apt as before, we are today no nearer the goal.

Inflationary Pressure

The fight against inflation has been carried on more or less successfully during the last year and a half. Here too the government finds itself today on the horns of a dilemma. While committed to price controls and to a certain extent to wage-freezing, the Treasury was forced to increase the money in circulation by the development budget, and thus strengthened the inflationary trend. Now external factors begin to add to internal troubles. With world-prices rising Israel prices must rise too, and they have already done so for some goods. There is moreover a dangerous tendency to lessen resistance to wage-rises. Mr. Kaplan dealt only briefly with this point in his speech in the Knesset, but it was easy to understand that he views the pressure for higher wages with anxiety and disfavour.

There can be no doubt that higher wages must increase inflation in our economic position while it is by no means certain that they will raise production. The workers may well find out soon that a few more pounds will buy them less than before, and the Israel currency will be able to buy less in foreign markets.

With swift changes in the international field, economic policy in Israel needs constant revision. The drive for better and greater production needs a new impetus and a new approach. The fight against inflation must be taken up under graver conditions. The piling up of supplies, however, might well come to claim priority over everything else.

NEW PLACES ON THE MAP

From May, 1948, after the Declaration of Independence, to the end of November, 1950, 259 new settlements were established, making a total of 685 together with the 426 settlements already existing before May, 1948. The following table shows the steady growth of this resettlement of the country.

May/June	1948	8
July/September	,,	16
October/December	,,	22
Total	1948	46
January/March	1949	21
April/June	,,	33
July/September	,,	29
October/December	,,	37
Total	1949	120
January/March	1950	14
April/June	,,	44
July/August	,,	19
Sept./November	,,	8
Total Jan./Nov.	1950	85

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time, the effective defence of all the three regions would be out of the question, and it should not be difficult to work out which region, or rather the part of that region, which would be left to its own devices. In the circumstances, therefore, Israel has an urgent purpose which is to keep us head; and to use what influence it may have towards the prevention of a war which is wholly unnecessary and far from certain.

Tel Aviv, January 3.

more on the support of Britain and the U.S.A., although they are at pains to maintain correct relations with Soviet Russia. But their greatest asset lies in the unity and disciplined effort manifested by their peoples."

Elsewhere, the survey notes that "politics in the Middle East turned largely on the relations between Israel and her neighbours. The Arab world has not yet reconciled itself to accepting Israel as a permanent, if new, feature of the political landscape."

the 80-foot "star-lite" parade. The violence of this campaign some months ago is linked partly to the Wahl's loss of popularity owing to its failure to secure promised social improvements.

AFTER MIDNIGHT

A master plan to mobilize the civilian defences of the U.S. in case of attack was approved by the House of Representatives yesterday. It went to the Senate for final Congressional action.

The House, which met for the first New Year's day session ever held by either chamber of Congress, also passed an excess profits tax bill representing a compromise between the Senate and the House.

ed hall, Mr. A. Amdur (General Zionists) entered and asked for a five-minute delay "to contact some people." It was granted.

Packed Hall

About ten minutes later Mr. Amdur returned, and Mr. Auster asked whether he had settled his affairs. Mr. Amdur replied: "Only partly." The Mayor then asked if he needed more time, and Mr. Amdur said he would need a "reasonable interval." He then left.

At about 7.30, Mr. Auster

General Zionists, Mr. E. Elishar, refused to vote for Mr. S.Z. Shragai (Religious Bloc), who has the support of the Right coalition, until the Natanya vote was official.

Mr. Elishar approached Dr. Y. Burg, Deputy Knesset Speaker and a Hapoel Mizrahi leader, who was observing the proceedings. Dr. Burg gave him his personal promise that his party would support Mr. Oved Ben Ami as Mayor of Netanya. Mr. Elishar was then ready to vote for Mr. Shragai.

The coalition members, thereupon, re-entered the hall and said they would stay "indefinitely." They expressed the fear that if they left the Opposition would hastily schedule a meeting and push through a vote electing their candidate. According to the law, it would be legal even if a quorum were not present.

At about 8.30, Mr. Amdur told reporters that the coalition had not requested the postponement, and that they were ready to hold a meeting that evening. He then called Mr. Auster at home who assured him that a meeting would not be held that night, and that he would notify the Council members today of the time for the next meeting.

(See Petah Tikva, Page 3, Col. 3)

have deterred Russia from waging "an immediate all-out war of conquest," Mr. Dewey added.

THE JERUSALEM POST

A week's supply of standard size newsprint for the daily press arrived ahead of schedule in Haifa yesterday, and it is expected that newspapers will return to their usual format by the latter part of this week.

The paper quota hitherto used is not generous, but was granted for commercial use and we do not absorb ink. That is the reason for the poor legibility of the past few issues of this paper.

ISRAEL'S FOREIGN TRADE POLICY

By Gershon Meron

MODERN and especially post-war economics with trade and currency control in almost all countries of the world, have made bilateral trade and payments agreements a very valuable and in most cases necessary instrument for the regulation of the exchange of goods and services. For Israel the conclusion of such arrangements is a vital necessity owing to her adverse trade balance on the one hand and the need for defreezing Jewish funds blocked in various European and Latin-American countries on the other. During the past two years trade and payments agreements have been concluded with Poland, Holland, Hungary, Finland, Uruguay, Czechoslovakia, Argentine, Yugoslavia and Turkey, and others are being contemplated. The total volume of imports into Israel under these agreements amounts to roughly 10 million pounds, while Israel exports to these countries are to cover between 5 to 8 million pounds worth of goods.

The choice of partners to such agreements is determined by several factors. Israel, as a young state with a large development plan ahead and with a population whose growth (an increase of almost 90% in 2½ years' time) is out of all proportion to that of any other country, is a heavy buyer while her export potential, though developing quite satisfactorily, is still rather limited. During the first 8 months of the current year Israel imported IL. 68 million worth of goods while visible exports amounted to IL 9 million, with invisible exports around IL 2 million (annual rate for 1950 is estimated at: IL 100 million imports, about IL 17 million exports). The balance of payments is equalized by means usual in all countries in the stage of colonization, viz. import of immigrants' capital, investments from abroad, foreign loans and contributions by organizations abroad.

The question why Israel has concluded trade agreements with the aforementioned countries and not with such important and traditional suppliers as USA and Canada, Italy, South-Africa and the Scandinavian countries, is answered by the specific structure of the payments agreements forming an integral part of all these treaties. As Israel is not yet in a position to pay for her imports entirely in own supplies, a considerable share thereof is paid in hard currency and with Jewish funds accumulated in the country of supply in consequence of currency restrictions there.

Export Potential

During the short time since Israel has been able to conduct an economic policy of her own, the development of trade treaties has already shown quite clear trends. The primary aim of Israel's trade policy is the strengthening of her export potential. While the first agreements concluded by Israel could provide only for a comparatively small quota for our exports, the subsequent treaties, in particular with Turkey, Finland and the Netherlands, show a marked increase of these quotas as a direct result of intensified industrialization. It is obvious that the large gap between Israel's imports and exports creates a particularly favourable situation for our export trade insofar as we may fill this gap either with commodities produced abroad or with products assembled here, a position which ensures to foreign investors a safe and expanding market. The latter, aware of these prospects for export industries, have therefore begun establishing assembly plants for their products with the idea to make Israel a distributing centre not only for the Middle East but also to European and Asian countries. This refers in particular to the Kaiser-Frazer motorcar and truck assembly plant as also to other industrial lines. The special advantage of this situation lies in the fact that our suppliers, particularly European and South-American countries, who find themselves sometimes excluded from hard currency markets for their products such as U.S.A. and U.K., on account of their own currency situation, have thus a possibility of acquiring from Israel motor vehicles, tyres, textiles, ready-made clothing, etc., in exchange for their supplies of agricultural surpluses and industrial raw materials.

"I don't see why you get in such a stew over bills. Either we CAN pay them or we CAN'T."
Cartoon in PM (1945)

Trade Agreements

Barter agreements with various, especially Scandinavian, countries are concluded on the same basis and thus represent an additional factor in the expansion of our industrial exports.

Many difficulties have to be overcome before a trade agreement is signed. Careful planning is required to insert in the list of commodities which form an integral part of most agreements, those which are considered by Israel essential and desirable items. In some cases, for instance in the agreement with Turkey, the practice of attaching lists of commodities has been abandoned so as to make the agreement more flexible. In accordance with international usage, both parties undertake to extend to each other all facilities required for the useful implementation of the treaty, in particular to grant the requisite import and export licences. Some treaties also contain a most-favoured-nation clause to avoid discrimination by either party to the detriment of the other. All treaties are based on the understanding that prices for all commodities are internationally competitive.

Owing to Israel's specific economic conditions particular weight is given to the payments agreement directly connected with the trade treaty. The payments agreements provide for the modus of clearing, the opening of accounts with the State Banks, etc. In all agreements provision is made for the appointment of a Mixed Commission to operate in cases of disagreement on certain points.

The import programme under Israel's trade agreements provides mainly for foodstuffs and agricultural surpluses, viz. live cattle, frozen meat, rye, wheat, barley, malt, sugar, bran, beans, onions, potatoes, cheese, oilseeds, oilcakes, meatmeal, etc., but also for building and industrial raw materials, e.g. timber, boxboard for orange packing, steel and iron products, technical equipment, cardboard, paper, semi-finished products such as prefabricated housing units, and various chemical raw materials.

Israel's import policy has undergone a remarkable change during the current year. Comparing figures for the first eight months of 1949 with those for the same period of 1950, we find that imports of foodstuffs have proportionately decreased from 23,5 per cent to 22,3 per cent of total imports. On the other hand, the share of imported raw materials increased from 13,2 per cent to 16,5 per cent, which is additional proof for the growing productive capacity of the country. The same trend of development can be observed in the increasing share of imports of industrial and agricultural equipment, building material and means of transport as against a marked decrease in imports of non-durable consumer goods. Some commercial credits obtained this year from various European countries also refer chiefly to industrial raw materials and equipment; in certain cases even whole plants were acquired under such credit arrangements.

The revised policy of Government relating to the system of "non-payment" licences will also provide for a priority for essential commodities and it can be estimated that the total value of goods imported under such licences during the year 1950 will reach between IL. 17 to 20 million or about 20 per cent of total imports envisaged for 1950.

Israel's exports also have in the course of the past two years changed considerably in structure: while they consisted formerly chiefly of citrus fruit and by-products such as concentrates, peel and pulps, our export catalogue now comprises a growing variety of industrial products proper such as chemical and pharmaceutical products, metal goods, footwear, a big range of textiles (woollen and cotton tissues, silk and rayon articles, knitted ware etc.) and ready-made clothing, buttons, haberdashery and the like.

Guiding Principles

In conclusion, it can be stated that Israel's trade policy is based on the following guiding principles:

1. Trade and clearing agreements are concluded with such countries where barter arrangements would not have the desired effect of increasing our export possibilities, while at the same time accumulated proceeds of drives and Jewish capital blocked under currency restrictions in these countries are used for partial payment of our imports from them.
2. In accordance with the accepted policy of most countries, the volume of barter transactions will be reduced and substituted by clearing arrangements which offer a wider field for our exports.
3. An important principle is the simultaneous co... sion of payments a... ments establishing s... swing funds to fi... seasonal shipments, i... ticular of citrus, allo... for an uninterrupted ... change of goods bet... the contracting partie...
4. The stipulation of a ... favoured-nation clause... sures non-discrimin... against our exports.
5. Priority is given to ... tial and currency-pr... ing imports, both ... gards industrial and ... cultural requirements ... also transport, in pa... lar shipping equip... This refers in even... sure to ordinary an... non-payment licences.
6. The principle of favo... the establishment o... pical export industri... ease the adversity o... trade balance, has be... plied with good su... and the recently estab... assembly plants of ... nationally known i... tries are already en... in filling orders fro... rious countries.

Though progress is ... sarily slow, the applicat... the aforementioned pri... has already made Isra... and it can be exp... without undue optimism ... the coming year will se... ther development in th... sired direction.

FOOD AND DONKEYS FROM CYPR...

By Shabe Guebenlian

ISRAEL is the third best customer of Cyprus, after Germany and the United Kingdom. During the first nine months of 1950, Cyprus sent nearly 11,000 tons of foodstuffs to Israel, valued at £289,708. Total exports to Israel during this period amounted to £767,516—an average of nearly £85,000 every month, or 10.3 per cent of the island's total exports.

The main items of export were:—

	Quantity (800 okes=1 ton)	Value (in £)
Kibbled carobs	14,558,305 okes	258,524
Barley	4,680,799 "	131,325
Raisins	2,116,191 "	77,428

Other important items of export were: foodstuffs for animals, potatoes, peas, and onions etc.

Mules were an interesting item of export. Israel bought 800 of them during January—September of this year, and leads the list before Egypt (nearly 500 this year). Staff officers of the Syrian and Leba... nese armies recently ... Cyprus to place orders f... sturdy pack animal whi... proved its worth as a me... transport in difficult ter...

Fourteen items of foo... have been exported to ... they constitute 25 per ... the island's total expo... these items.

Imports from Israel ha... on a minor scale. The pr... item of import has been ... ial for the manufacture ... ficial teeth: £32,919 wo... nine months. Since Augus... rus has also imported di... tants and insecticides ... value of £2,325.

Total imports from ... from January till Sep... 1950 amounted to £42,74... ports from Arab Palestin... ing the same period am... to £10 only, with no exp...

During the year 1949, ... to Israel were £780,696, a... ports from Israel £53,74... imports from Israel at ... imately the same level, ... to Israel have substanti... creased in the current ye...

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This chance defect stimulated the curiosity of the chemists. By a fascinating and class... piece of organic chemical research, they established that the impurity belonged to ... entirely new class of compounds — the phthalocyanines — whose structure resemb... chlorophyll, the green pigment of plants, and haemin, the red colouring matter ... blood. The blue substance was in fact, iron phthalocyanine. Phthalocyanine derivati... were then made from a great variety of metals, and, after hundreds of tests, cop... phthalocyanine was shown to have great possibilities for commercial purposes.
Efforts to produce a suitable physical form of the new pigment succeeded in 1936, ... today 'Monastral' Fast Blue B is widely used to colour plastics, paints, paper ... printing inks. It is the first new blue paint in the artists' paint box for a hundred ye...

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but those ... were iron men of discovery, not groups of immigrants.

In considering this tent business, we should beware of one meaning of the word, which gives 'tent' as a roll of linen inserted into a wound to keep it open. All such should be resolutely banished from the ma'abarot, and replaced by the other sort of 'tent,' a deep red Spanish wine, which will surely warm the cockles of every heart in every camp. The Army is seeing to it, with efforts more than tentative, that the camps will be able to stand up to the weather, but though present portents are good, we shall have to make greater exertions in 1951 to make all inhabitants of Israel content.

Hadassah Clubs for Overseas Visitors

WEEKLY SEMINARS

Haifa: Today, Monday, January 1, at 4.30 pm. at the home of Mrs. Gideon, 16 Hatishbi A St., French Carmel.
Judge B. Rosenblatt, on "The Jewish Agency as a Link Between Israel and World Jewry."

Tel Aviv: Tomorrow, Tuesday, January 2, at 4.30 p.m. at The Hadassah Club, 30 Hayarkon St.
Mr. David Crohn, on "Non-Political Organizations in the Upbuilding of Israel."

Jerusalem: Wednesday, January 3, at 4 p.m. at the home of Mrs. Earl Berger, 39 Benjamin Metudela Street, Rehavia.
Mr. I. Roskin-Levy, on "The Cooperative Movement in Israel."

VISITORS IN ISRAEL ARE CORDIALLY INVITED

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STEADY RISE IN FARM PRODUCTION

By Nahum Verlinsky

THE 1949/50 season was marked by a large increase in agricultural production. Two main factors have contributed to this development.

In the first place, an extraordinary effort was made in the old settlements, and a number of more recently established settlements could be included into the production process. An even greater increase could have been achieved but for the lack of manpower, especially in trained labour, and the interruptions in fodder supplies for livestock. In the second place, the demand for agricultural products was high throughout the year. The constant increase of the population through immigration and the contraction of food imports for currency reasons, resulted in a lack of supplies during the better part of the year.

A provisional estimate of production in Jewish agriculture in 1949/50 is given in the following table:

Production	Unit	1949/50	1948/49	Increase in %
Cow Milk	1,000 lit.	84,000	75,000	12.0
Eggs	1,000	310,000	237,000	30.8
Poultry meat	tons	7,000	4,000	40.0
Vegetables and Potatoes	„	125,000	96,500	29.5
Fish	„	6,000	3,500	70.1
Fruit (excl. citrus, grapes, olives)	„	15,000	13,900	7.9
Melons	„	15,000	7,500	100.0
Wheat	„	21,000	16,500	27.3
Barley	„	32,000	17,000	88.2
Corn and Maize	„	17,000	7,600	123.7

This table shows marked increases in the principal branches of agricultural production. A slight drop in a few others, for instance goat milk and grapes, and even the considerable decline in the banana harvest, cannot seriously affect the encouraging general picture of considerably rising production.

The degree of the rise is different in various branches and also varies according to seasons. This applies, for instance, to dairy products, vegetables, potatoes and fish, which show a continuous rise, but a more pronounced one in the second half of the year. On the other hand, poultry which used to occupy so prominent a place, shows a different development: sharp increase in the first half of the year, and a considerable slowing down in the second half, owing to unsatisfactory supplies of feeding stuff.

As regards the other livestock, the last 18 months marked a period of recovery following the heavy losses sustained during the war of liberation. The import of milch-cows by the Jewish Agency contributed to this favourable development. Increase in fish supplies is mainly due to the greater number of fishing vessels, but also to the enlargement of carp breeding ponds by some 5,000 dunam. The list is led, however, by sea-water fishing. In the two last mentioned branches alone, the increase was 160 per cent against 1948/49.

20-25 new vessels can be added to the existing fleet. At the same time, the pond area for carp breeding should be increased by another 5,000 to 6,000 dunam in which case 4,500 tons of carp would be obtained, or 25 per cent more than last year.

Tnuva Plant in Haifa.—Above: *Pasteurization Apparatus.* *Cheese Manufacture.* Below: Photo by Loewenheim

For vegetables and potatoes, increased results are due to larger areas brought under cultivation, and partly to new settlements which specialize in vegetable growing.

Prospects for 1950-51

The production plans for the coming season envisage a further increase in all branches. Efforts are being made to increase the area of potato plantations and vegetables to such an extent that production will rise by 25-30 per cent. Onions present a special problem, as in previous years most of them had been imported. The Ministry of Agriculture and organizations of vegetable growers in the settlements are now endeavouring to improve the position by providing additional areas of cultivation of onions in the younger settlements.

In the poultry branch, it is planned to increase the number of laying hens from 2.7m. to 3.3m. If this can be achieved, we shall have a production of 370m. eggs. If we deduct from this total the quantities reserved for the own requirements of the producers and for hatching purposes, a total of 310m. eggs will reach the general market, representing an increase of about 20 per cent over 1949/50. Poultry meat will probably reach 8,500 tons, of which 6,100 tons will be marketed. Great possibilities are offered by sea-water fishing which can be doubled if

Likewise, it is to be hoped that there will be a substantial increase in milk production owing to imports of cows in 1950. If everything goes according to schedule, production should reach 105-110m. litres, an advance by 25-30 per cent.

The agricultural production programme also provides for a special effort in the direction of grain and seed supplies. This would incidentally solve at least part of the fodder supply problem for livestock.

Developments in 1950/51 will depend on a number of factors, including, among others, the following:

First, a price policy which encourages agricultural producers.

Secondly, the assurance of fodder supplies for livestock according to breeding and harvesting seasons; also the supply of seed, manure and various other materials required for agricultural production.

Thirdly, additional cold storage space for potatoes, vegetables and other products. Should it not be possible to carry this programme out in good time before the summer of 1951, a census of all available commercial cold storage space should be undertaken forthwith, with a view to securing the storage of agricultural products.

Fourthly, the utilization of surplus production during the 1950/51 season, particularly tomatoes and other vegetables, by way of industrial preservation.

Lastly, sufficient supplies of packing material for transport of agricultural products to the markets.

Costs and Prices

A reasonable price policy for agricultural products will be of decisive importance. While it is necessary to direct the stream of immigration towards the village, a rapid development of agricultural production can only be expected if it is made attractive; in other words, if it offers not less, and in the first period perhaps more, than the various urban professions, with regard to standard of life, housing, etc. The last two years have shown, however, that in many cases the attraction of agriculture cannot compete with that of other branches of work, much less with the manifold attractions of town life. Moreover, the wages of agricultural labour have been below the standard achieved in other occupations.

Until now, the price of agricultural products was fixed on the basis of production costs, according to the average cost in medium-sized agricultural settlements and in relation to actual production and labour employed. If production is to be speeded up, a second principle ought to be applied, namely, a premium on increased production and supplies. An incentive price policy should also consider the position in newly established settlements. It is not to be expected that these new settlements can immediately reach the production standard of old settlements. This necessitates minimum prices, especially for vegetables, and a government guarantee of these prices if they cannot be obtained in the market. In this way new agricultural settlements would be greatly encouraged to expand their production to the maximum, especially in potatoes, onions and vegetables.

Quality of Products

Another important factor is the margin between the price paid to the producer and the price paid by the consumer. During the last years, and under a system of controls, this margin has been reduced, and a certain decrease of intermediary profits has been achieved. At present, for instance, the producer receives the following percentage of the price paid by the consumer: fresh milk, 71%; eggs, 76%; poultry, 80%. It should be noted that these profits do not include the cost of delivery to the distribution centre within the settlement, which amounts to 3-5%.

In comparison with other countries, agricultural producers in Israel receive a higher share in every pound paid by the consumer for agricultural products.

The consumer demands rightly high quality products and is usually willing to pay a higher price for grade A than for grade B products, although the difference in nutritional value between the two categories is by no means considerable.

The increasingly large demand for their products has induced agricultural producers to an exaggerated confidence that whatever they produce, be it even of category C, will find a ready market. But in reality, this approach results in an increased marketing of lower categories and therefore in a lower average income for the producer.

> *"Be no longer a chaos, but a world, or even worldkin. Produce! Produce! Were it but the pitifullest infinitesimal fraction of a product, produce in God's name!"*
>
> THOMAS CARLYLE

The question of quality and grading has become more complicated by the increasing number of new settlements, lacking marketing experience. Much disappointment has been caused in this field by the absence of systematic guidance. It is hoped, however, that the efforts of Tnuva and institutions responsible for settlements will bring home to the new settlers the simple truth that high quality products, properly graded, are the first precondition for obtaining good prices.

Tnuva and Labour

An estimate of the proportional share of Tnuva supplies within the general agricultural supply system shows for 1949-50 the following percentages for some of the principal products:

Fish (carp and sea fish)	97
Fruit (without citrus)	85
Poultry	68
Milk	63
Eggs	54
Fish and potatoes	60

In sum total, Tnuva supplies over 70 per cent of the total Jewish agricultural production. The "food basket" of the Yishuv was provided in 1949-50 to 29 per cent by Tnuva, to 13 per cent by other local agriculture, and to 58 per cent by imports.

The agricultural sector has had an important function during these last two years. If it could supply more than 40 per cent of the foodstuffs needed by the population, this was not in the least due to the fact that the lion's share in these supplies belongs to the agricultural labour organized in cooperatives. At the same time Tnuva, as the central marketing body, has fulfilled another important function by stabilizing the price level for agricultural products and preventing undesirable developments which became noticeable in other branches of our economy.

Speedy expansion of our agricultural production, in order to make the country gradually less dependent upon imports of foodstuffs is one of our primary tasks. With the assistance of government and redoubled efforts on the part of producers, this can be achieved to a large extent even within the coming year.

It is an undeniable fact that success in this field can easier be obtained and will be of more lasting influence on our economy than any other effort in the economic sphere.

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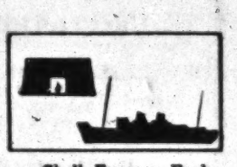
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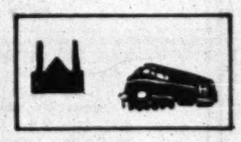
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time, the effective defence of all the three regions would be out of the question, and it should not be difficult to work out which region, or rather the part of that region, which would be left to its own devices. In the circumstances, therefore, Israel has an urgent purpose, which is to keep its head; and to use what influence it may have towards the prevention of a war which is wholly unnecessary and far from certain.

Tel Aviv, January 2.

more on the support of Britain and the U.S.A., although they are at pains to maintain correct relations with Soviet Russia. But their greatest asset lies in the unity and disciplined effort manifested by their peoples."

Elsewhere, the survey notes that "politics in the Middle East turned largely on the relations between Israel and her neighbours. The Arab world has not yet reconciled itself to accepting Israel as a permanent, if new, feature of the political landscape."

the British riot now passed the peak. The violence of this campaign some months ago is linked partly to the Wafd's loss of popularity owing to its failure to secure promised social improvements.

AFTER MIDNIGHT

A master plan to mobilize the civilian defences of the U.S. in case of attack was approved by the House of Representatives yesterday. It went to the Senate for final Congressional action.

The House, which met for the first New Year's day session ever held by either chamber of Congress, also passed an excess profits tax bill representing a compromise between the Senate and the House.

ed hall, Mr. A. Amdur (General Zionists) entered and asked for a five-minute delay "to contact some people." It was granted.

Packed Hall

About ten minutes later Mr. Amdur returned, and Mr. Auster asked whether he had settled his affairs, Mr. Amdur replied: "Only partly." The Mayor then asked if he needed more time, and Mr. Amdur said he would need a "reasonable interval." He then left.

At about 7.30, Mr. Auster General Zionists, Mr. E. Eliashar, refused to vote for Mr. S. Z. Shragai (Religious Bloc), who has the support of the Right coalition, until the Nathanya vote was official.

Mr. Eliashar approached Dr. Y. Burg, Deputy Knesset Speaker and a Hapoel Mizrahi leader, who was observing the proceedings. Dr. Burg give him his personal promise that his party would support Mr. Oved Ben Ami as Mayor of Nathanya. Mr. Eliashar was then ready to vote for Mr. Shragai.

The coalition members, thereupon, re-entered the hall and said they would stay "indefinitely." They expressed the fear that if they left the Opposition would hastily schedule a meeting and push through a vote electing their candidate. According to the law, it would be legal even if a quorum were not present.

At about 8.20, Mr. Amdur told reporters that the coalition had not requested the postponement, and that they were ready to hold a meeting that evening. He then called Mr. Auster at home who assured him that a meeting would not be held that night, and that he would notify the Council members today of the time for the next meeting.

(See Fetah Tikva, Page 3, Col. 2)

have deterred Russia from waging "an immediate all-out war of conquest," Mr. Dewey added.

THE JERUSALEM POST

A week's supply of standard size newsprint for the daily press arrived ahead of schedule in Haifa yesterday, and it is expected that newspapers will return to their usual format by the latter part of this week.

The paper now being used is not newsprint, but was prepared for commercial use and so does not absorb ink. That is the reason for the poor legibility of the past few issues of this paper.

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TNUVA CENTRE IN JERUSALEM

Photo by Pri-Or

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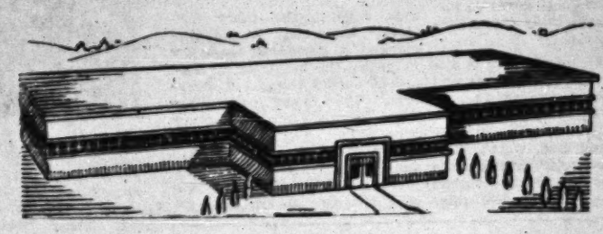

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not groups of immigrants.

In considering this tent business, we should beware of one meaning of the word, which gives 'tent' as a roll of linen inserted into a wound to keep it open. All such should be resolutely banished from the ma'aberot, and replaced by the other sort of 'tent,' a deep red Spanish wine, which will surely warm the cockles of every heart in every camp. The Army is seeing to it, with efforts more than tentative, that the camps will be able to stand up to the weather, but though present portents are good, we shall have to make greater exertions in 1951 to make all inhabitants of Israel content.

Jerusalem Clubs for Overseas Visitors

WEEKLY SEMINARS

Haifa: Today, Monday, January 1, at 4.30 pm. at the home of Mrs. Gideon, 18 Hatishbi A St., French Carmel.
Judge B. Rosenblatt, on "The Jewish Agency as a Link Between Israel and World Jewry."

Tel Aviv: Tomorrow, Tuesday, January 2, at 4.30 p.m. at The Hadassah Club, 30 Hayarkon St.
Mr. David Crohn, on "Non-Political Organizations in the Upbuilding of Israel."

Jerusalem: Wednesday, January 3, at 4 p.m. at the home of Mrs. Sari Berger, 29 Benjamin Metudela Street, Rehavia.
Mr. I. Roskin-Levy, on "The Cooperative Movement in Israel."

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Insurance Business and National Economy

By Walter Erhard

THE main objects of an insurance industry, to secure financial compensation for the loss of property, and to provide for old age and for the insured's family, represent at the same time important factors for the national economy.

Saving by means of insurance is instrumental in the accumulation of relatively small amounts into larger reserves, the careful investment of which has a bearing on long-term credits, mortgages, building projects, the financing of public loans, and the purchase of securities. All this is of paramount importance to the economy of the country as a whole, in particular when its expansion depends upon the availability and productive employment of investment capital.

About 15 years ago, it was hardly possible to speak of an independent insurance industry of this country at all. The major part of the business was handled directly by foreign concerns. The tariffs in the general insurance business were, as a rule, fixed abroad, while a considerable part of the reserves in the life assurance section were invested in foreign countries. It is true that some foreign companies made investments in this country, but the systematic and continuous investment of the funds accumulated by all insurance companies operating in the country remained a theoretical demand of a few experts, and no legal ruling to this effect could be obtained.

Earlier plans for the formation of local insurance companies, the main purpose of which should be to coordinate their business activities with the requirements of the country's economy, showed satisfactory progress, in particular since the setting up of the State of Israel.

Tariff associations, for instance, which in the past were affiliated bodies of the central insurance associations in England, were dissolved and taken over by an independent Israel Insurance Association comprising practically all companies including those engaged, apart from fire business, in accident, workmen's compensation and marine business. The central and the sectional committees of the new organization have started their activities with noticeable initiative. A strong local association was particularly necessary since the number of companies operating in the country has considerably risen in recent years and amounts already to a hundred. This excessive number resulted in undesirable competition, both as regards tariffs as well as agents' commissions, and the Israel Insurance Association, in cooperation with the Association of Insurance Agents, has taken upon itself the urgent task of consolidation of tariffs, conditions of policies, and the cost of production.

Companies' Income and Investments

Four years ago, the total premium income in the country amounted to approximately two million Pounds, while by the end of 1950 premium income will have increased to approximately IL.6m. The total portfolio of life insurance in 1946 was about IL.20m. and it is estimated that, by the end of 1950, it will reach about IL.40m., 65 per cent of which is assumed to be held by local companies.

These important developments naturally resulted in the insurance companies playing today a much more important part on the investment market than in the past. In the absence of proper statistics we can, unfortunately, only guess the extent of these activities. The Central Office of Statistics has only recently started collating statistical figures, and we have, so far, no data regarding the business activities of foreign insurance companies.

If one wishes to evaluate the possibilities of the insurance industry's participation in the supply of capital one has to rely on figures published in the balance sheets of the local insurance companies. In this way, we can also compare the past and present position.

The five major local insurance companies existing for some time had investments in 1946 amounting to approximately IL.2m. By the end of 1949, such investments had increased to IL.3,5m., and it may be assumed that by the end of 1950 investments will have reached IL.4,5m. Approximately 35 per cent of that amount was advanced against long-term mortgages, and insurance companies occupy, therefore, an important position on the mortgage market, more especially in the financing of the construction of new dwelling houses. It may be estimated that approximately IL.1,8m. were invested in such loans by the five leading local companies by the end of 1950.

In addition, the companies are making a marked contribution towards the absorption of loan issues by the State and Municipalities, of loans to public institutions for the development of agriculture, as well as debentures and preference shares of other first-class institutions. The holding of these securities portfolios by the insurance companies entails a special advantage for the market, since, as a rule, the companies refrain from disposing of their holdings which they consider as long-term investments. Thus an undesirable pressure on the securities market, resulting from large sales, is avoided.

Scope for Expansion

Another category of investment of premium reserves is the acquisition of real estate. Some companies have already included in their programme the erection of office and dwelling houses, but so far the percentage of real property owned by the companies is still relatively small. It would be desirable, both in the companies' own interest and in that of the economy as a whole, that the companies should partake in the field of direct building activities, thus providing work as well as living quarters.

While all these figures reflect a strong expansion, a closer scrutiny shows that there is still a large opening for insurance business, especially in the field of life insurance. The average amount of insurance *per capita* and the total number of insured persons is still relatively smaller than in other countries. We still have no scheme of social insurance in Israel and for this reason, too, the idea of making provision for the family, as well as for old age, by means of insurance should be much more popular. However, large sections of the population are not yet sufficiently insurance-minded, while for others, in particular new immigrants, the arrangement of such insurance should be made easier by applying special tariffs.

All over the world, governments have appreciated the importance of life insurance for the national economy and have therefore made provision for the deduction of premiums from income tax. In this country, too, such provisions were embodied in the Income Tax Ordinance, but as in the meantime the impact of life insurance has increased manifold and plays its part, among others, as a means to combat inflation, it would be desirable to improve the original provision of a maximum deduction of IL.200 in respect of life insurance premium. Today, this amount should be considerably higher.

The interest taken by the government in the local insurance industry should go further. It is, obviously, an important social service which insurance, as a whole, is called upon to render to the community. The companies are trustees for large sections of the population. Rules and regulations to supervise continuously the proper investment of reserves which are destined to serve the payment of long-term commitments of the companies, should be enacted. In most countries, including a country with such individualistic economic views as the United States, the State supervises the insurance companies' activities.

Need for Public Supervision

In this country, too, a special office for the supervision of insurance companies was formed on January 1, 1949. Since then important progress was made by that office, in collaboration with its advisory committees, to prepare the ground for the introduction of suitable legislation, and a draft bill was completed some time ago. Unfortunately, so far not even transitory legislation has been enacted. There are no rules in force as yet governing the financial requirements of local companies, the licensing of foreign companies, provisions for the investment of reserves, and the like. It has been expected that, as in most countries, foreign companies would be required, as a matter of course, to invest their premium reserves in the country. Many representatives of foreign companies have agreed to such suggestions, and all those which started operations in Israel in recent years already took into account the imminent promulgation of such provisions.

It is generally known that the insurance industry is an international business. Companies are operating in a variety of countries and spreading their risks, by means of international reinsurance agreements. Some countries, such as Switzerland or the United Kingdom, have succeeded in developing this form of invisible export. Similar efforts have been made here by opening branch offices of Israel companies abroad. This is naturally a matter of long-term policy, but the present position of our foreign exchange requirements confronts the insurance industry with tasks of its own. The most important of these tasks will have to be the increase of the companies' retention, as well as the compensation received by them for reinsurance business ceded abroad. The retention is that part of the business which the local companies can carry on their own account. The financial strength and increased turnover enables local companies to increase the amounts retained and to decrease the amounts ceded abroad. However, as there will always remain a considerable margin of reinsurance, those local companies which have reached the required status have recently made efforts to make their reinsurance arrangements subject to reciprocity which will result in their earning foreign exchange, thus improving our international payments' position.

All these efforts in the direction of organization and legal foundation will enable the insurance industry of Israel to play an increasingly important part in the development of the country and its economic links with the world at large.

NATIONAL FUND'S LAND HOLDINGS

Site of future Forest in Jerusalem Corridor. Photo by Braun

On entering its Jubilee Year, the Keren Kayement Le-Israel (Jewish National Fund) can look back at 50 years of steady and, towards the end of the period, rapid expansion. It can now look forward to years of even greater effort and achievement.

More than hundredfold has been the increase in land holdings of the Fund since the beginnings of its work of land redemption. A few figures will illustrate this spectacular rise.

LAND PURCHASES IN DUNAMS
(1 Dunam = 1,000 Sq.m.)

1906—1918:	16,400
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1948 to April 1950:	656,500

In October, 1950, total land holdings of the Fund reached 2,084,612 dunams.

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time, the effective defence of all the three regions would be out of the question, and it should not be difficult to work out which region, or rather the part of that region, which would be left to its own devices. In the circumstances, therefore, Israel has an urgent purpose which is to keep its head and to use what influence it may have towards the prevention of a war which is wholly unnecessary and far from certain.

Tel Aviv, January 2.

more on the support of Britain and the U.S.A., although they are at pains to maintain correct relations with Soviet Russia. But their greatest asset lies in the unity and disciplined effort manifested by their peoples."

Elsewhere, the survey notes that "politics in the Middle East turned largely on the relations between Israel and her neighbours. The Arab world has not yet reconciled itself to accepting Israel as a permanent, if new, feature of the political landscape."

AFTER MIDNIGHT

A master plan to mobilize the civilian defenses of the U.S. in case of attack was approved by the House of Representatives yesterday. It went to the Senate for final Congressional action.

The House, which met for the first New Year's day session ever held by either chamber of Congress, also passed an excess profits tax bill representing a compromise between the Senate and the House.

Premier Nahas Pasha of Egypt appeals for peace. The violence of this campaign some months ago is linked partly to the Wafd's loss of popularity owing to its failure to secure promised social improvements.

Packed Hall

About ten minutes later Mr. Amdur returned, and Mr. Auster asked whether he had settled his affairs. Mr. Amdur replied: "Only partly." The Mayor then asked if he needed more time, and Mr. Amdur said he would need a "reasonable interval." He then left.

At about 7.30, Mr. Auster asked for a five-minute delay "to contact some people." It was granted.

At about 7.30, Mr. Amdur told reporters that the coalition had not requested the postponement, and that they were ready to hold a meeting that evening. He then called Mr. Auster at home who assured him that a meeting would not be held that night, and that he would notify the Council members today of the time for the next meeting.

(See Polish Tilted, Page 8, Col. 3)

The coalition members, thereupon, re-entered the hall and said they would stay "indefinitely." They expressed the fear that if they left the Opposition would hastily schedule a meeting and push through a vote electing their candidate. According to the law, it would be legal even if a quorum were not present.

At about 8.30, Mr. Amdur told reporters that the coalition members, re-entered the hall and said they would stay "indefinitely." They expressed the fear that if they left the Opposition would hastily schedule a meeting and push through a vote electing their candidate. According to the law, it would be legal even if a quorum were not present.

At about 9.30, Mr. Amdur told reporters that the coalition had not requested the postponement, and that they were ready to hold a meeting that evening. He then called Mr. Auster at home who assured him that a meeting would not be held that night, and that he would notify the Council members today of the time for the next meeting.

(See Polish Tilted, Page 8, Col. 3)

General Zionists, Mr. E. Elishar, refused to vote for Mr. S.Z. Shragai (Religious Bloc), who has the support of the Right coalition, until the Nathanya vote was official.

Mr. Elishar approached Dr. Y. Burg, Deputy Knesset Speaker and a Hapoel Mizrahi leader, who was observing the proceedings. Dr. Burg gave him his personal promise that his party would support Mr. Oved Ben Ami as Mayor of Nathanya. Mr. Elishar was then ready to vote for Mr. Shragai.

If the "more modern" bombers have deterred Russia from waging "an immediate all-out war of conquest," Mr. Dewey added.

THE JERUSALEM POST

A week's supply of standard size newsprint for the daily press arrived ahead of schedule in Haifa yesterday, and it is expected that newspapers will return to their usual format by the latter part of this week.

The paper was being used at first sparingly, but was expected for commercial use and to help absorb ink. That is the reason for the poor legibility of the last few issues of this paper.

Growth of Plastics Industry

By Ruth Cale

THE production of plastic goods is one of the youngest branches of Israel's industry. Sixteen factories, organized in the Plastic Manufacturers Association, turn out well over 1,000 different articles, and there are in addition another 16 enterprises, established only recently by new immigrants as cooperatives or "home industries," and two in kibbutzim.

Plastics manufacture is one of the few industries in which Israel can already compete in the world market. The quality of the goods produced is said to be of a high standard, and prices are roughly the same as those in other countries, mainly because most of the work is done by modern machines.

Variety of Articles

The list of plastic goods being manufactured here includes household articles, electric plugs, wires and other parts, spectacle frames, fountain pens, clothes pegs, leather substitutes, shopping bags and other receptacles, toys, buttons, and so on.

The first plant was set up in 1934 by Mr. Bruno Rabinowitz, who brought his statutory immigration capital in the form of a few machines for the production of "Bakelite" goods, several technical articles, containers for the cosmetic and pharmaceutical industry, electric plugs, etc. The first five years were difficult, because the public was not used to this type of product and because of tough competition from other countries, especially Germany.

With the beginning of the war and the shortage of manufactured goods, the plastics industry suddenly came to the fore, and several other factories sprang up to cater for the entire Middle East's demands of household and other goods. Through the Middle East Supply Board, Palestine-manufactured cups and saucers, kitchen utensils, ashtrays, etc., were exported to Middle East centres as far east as Teheran. Mr. Rabinowitz alone manufactured 20,000 dozen coffee cups per month for the consumption of local Arabs and transfer to neighbouring Arab States.

Compression Moulding Machines at Plastics Factory in Bnei Brak

The annual turnover of the 16 organized plants, mostly working in two shifts, is estimated today at about one million pounds, but it could be doubled or even trebled if enough raw materials were available to put existing machinery to full use. In prevailing circumstances, the industry cannot even meet the local demand of a large variety of plastic goods, and export possibilities have not yet been fully explored, but several countries trading with Israel would no doubt be willing to include plastic goods in barter agreements.

Production Methods

The most widely used production method is that of "injection," by which plastic powders are inserted into moulds which heat and form them into the desired articles. Moulds, which are very expensive, are made by subsidiary workshops. The "Durra" Toy Factory at Tel Litwinsky, a daughter company of a large Canadian concern, obtains its moulds from its central plants, produces a certain quantity of toys, and then ships the moulds back, thus cheapening production.

The "extrusion" method is used in the manufacture of plastic belts, electric wires and other "extracted" articles. The largest plant in the country, Messrs. Geller, Gartenberg & Teicher, of Bnei Brak and Jerusalem, and the Electric Wire Company in Haifa work on this system, as well as "Serafon," a subsidiary of the Palestine Economic Corporation at Rehovot, which produces leather substitutes for upholstery.

New Kibbutz Industry

Kibbutz Huliot, in Upper Galilee, employs a simpler production method which turns out crockery of a higher quality but much more expensive than that produced out of powders. It imports plastic sheets which are pressed into the required form.

New immigrants, too, have started plastics production on a small scale with one or two machines and small quantities of raw materials which they brought with them. Several of them specialize in the manufacture of buttons, hair ornaments and other small items, and all are doing well.

More factories are in the course of erection, among them a British enterprise at Acre which is going into production soon with the "injection" method. Experts seem not to be afraid of over-production, because the variety of goods that can be produced is almost unlimited, and the machinery can be adapted to whatever is required. There are certain items with which the market is saturated at the moment, notably toys, but this is mainly due to the large-scale non-payment importation of plastic toys some time ago which are retailing at high prices.

The Raw Material

Plastic powders are produced out of coal and oil residues. There are only about a dozen raw material plants in the world, including Dupont, the I.C.I., and Kodak.

The 16 organized factories require between them 30 tons of powder a month, costing IL.3,000 in foreign exchange and representing about 30 per cent of the cost of the finished product. Although the Government is an important customer of the plastics industry, particularly for office equipment, no import licences for raw materials are said to have been granted since February last. Manufacturers have therefore concluded private barter agreements with foreign countries, on the basis of export of Israel textiles against the purchase in the U.S. and Britain of plastics powders. They are now trying to increase raw material supplies in order to feed the $100,000-worth new machinery obtained through the American loan which is due to arrive shortly. Under present conditions, these machines would have to stand idle.

The contention that there is a great future in this branch of industry, expressed by Mr. Rabinowitz, was upheld as long as five years ago by the British Board of Trade which, in a booklet on Palestine's economic importance, declared that only two industries had good chances for continued exports — the diamond and plastics industries.

Taxation and Replacement

COST accountants in the service of Government, who have to compute the cost of goods produced must take into account as an item of production cost the depreciation on fixed assets. It is possible and indeed likely that the cost of an identical product is quite different when produced by two factories one of which was established in 1939 and the other in 1949.

The same product is consequently bought by Government or by any other purchaser at different prices for the sole reason that one factory is 10 years older than the other. But although the price of the product is thus different, it can safely be assumed that both factories will have to invest the same amount of capital, and to cover such investments from their earnings, when renewing or replacing their plant. It can furthermore be assumed that the same two companies will have to pay income tax on the basis of the same profit, despite the fact that one factory can depreciate for income tax purposes its 1949 plant, while the other has no claim for depreciation on its 1939 plant.

Tax on Capital

In both cases Government departments fail to consider the fact that the computation of the rate of depreciation on the basis of cost of assets at the date of erection of a factory leads to a taxation of capital. For it is obvious that capital will be consumed if the cost of replacement is not considered in the price calculation and the assessment of income tax.

Problems such as this are subject of discussion, particularly among economists and accountants, all over the world. In a number of countries the necessary legal steps have been taken to provide for the setting aside of renewal reserves. But in no other country of the world fiscal considerations based on a purely static point-of-view are less adequate than in Israel. As we live no longer in a period when the relation of £5 to £1 seemed to be everlasting, our industries and other business establishments are facing an increasing shrinkage of their reserves. It even remains to be considered whether a distribution of dividends is admissible as long as no provision has been made for replacement of assets on the basis of cost of replacement. What is wrong for Government is wrong for the manufacturer as well when the result amounts to a distribution of capital.

In his book "Value and Capital," J. R. Hicks says: "It would seem that we ought to define a man's income as a maximum value which he can consume during a week and still expect to be as well off at the end of the week as he was at the beginning." This sums up the position perfectly, for if a firm is not enabled to consider the replacement-value for the purpose of costing and income tax, it will have less at the end of the week than at its beginning.

It should be added that there are various methods of calculating depreciation, but a discussion of their relative merits would be beyond the scope of these lines.

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WEEKLY SEMINARS

Haifa: Today, Monday, January 1, at 4.30 p.m. at the home of Mrs. Gideoni, 18 Hatishbi A St., French Carmel. **Judge B. Rosenblatt, on "The Jewish Agency as a Link Between Israel and World Jewry."**

Tel Aviv: Tomorrow, Tuesday, January 2, at 4.30 p.m. at The Hadassah Club, 30 Hayarkon St. **Mr. David Crohn, on "Non-Political Organizations in the Upbuilding of Israel."**

Jerusalem: Wednesday, January 3, at 4 p.m. at the home of Mrs. Sari Berger, 29 Benjamin Metudela Street, Rehavia. **Mr. I. Roskin-Levy, on "The Cooperative Movement in Israel."**

VISITORS IN ISRAEL ARE CORDIALLY INVITED

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Rothschild's Prediction Comes True

The "Father of the Yishuv" was not only a great idealist but also a man of practical vision, as will be seen from the following extracts from "Edmond de Rothschild, Palestine Pioneer" by Isaac Naiditch (1945).

THE Baron used to spend days discussing the numerous and varied projects presented to him by enterprising Jews from all over the world who were interested in starting some industry in Palestine. These visitors came mostly from Poland and America . . .

Whenever a proposal concerning a new industrial enterprise was made to him, the Baron's first act was to obtain accurate information about the person who came to him with the project. He wanted to be sure of the ability and trustworthiness of the applicant.

As time went on, the Baron became more and more interested in the possibilities of building up in Palestine a large Jewish industry as a means for making the country capable of absorbing a large immigration. He kept on repeating:

Need for Industry

"To settle a family on the land takes close on LP.1,000. (It takes less now.) How many Jews could be settled on the land at that rate? But it takes much less to get people established at jobs in industries. That is the solution for the problem of making possible a mass immigration of Jews into Palestine."

In one of his conversations with the late M. M. Ussishkin, the latter stressed the primary importance of land purchases. The Baron said: **"Vous cherchez l'Eretz, moi je cherche Israel." (Your concern is with the Land, mine is with Israel).**

On relating that conversation to me, the Baron added: **"In our work we all have the same objective, although I don't talk about it as much as you do. We all aim at establishing a large Jewish community in Palestine. That requires first of all people, many people. And the people must have a firm economic and social foundation under their feet. That is what makes a country independent.**

"The Jews," he continued, "who managed to create a great industry in Lodz after being driven out of Moscow, the Polish Jews who so energetically and successfully developed such an intricate industry —why shouldn't they be able to do likewise in Palestine? But Palestine will have to produce other articles than those produced in London and other European cities. Goods manufactured in Palestine must be suitable for the Eastern markets and must be cheaper. That ought not to be too difficult, if cheap credit is obtained for buying raw materials and if the terms of payment are made easy."

Electric Power

As the first requisite for creating a large industry in Palestine the Baron always considered the development of electric power. That was one of the reasons why he so quickly subscribed to Rutenberg's electrification project. Not only was he the first to subscribe a substantial sum as his share in the Rutenberg Company, but he did what was unusual in his business practice. He gave the late pioneer of the electrification of Palestine a warm letter of recommendation. . . . .

Some time afterwards the Baron became interested in the Nesher cement factory and joined the enterprise in partnership with the Pollack brothers. Later he gave much thought to the development of a textile industry in Palestine, always bearing in mind what Jews had done in Lodz. He talked to me a great deal about the subject.

"Lodz has no cotton of its own," he used to say. "And yet the Jews there created a large industry with their spindles. The same must be done in Palestine." . . . His main interest was in mass-production. . . . . The Baron thought that the natural markets for Palestine would be the countries of the Near and Far East. But it was necessary to find out what were the demands of those markets, and the Baron returned to his old plan of an institute for travelling salesmen who would, like the famous salesmen of Lodz in olden times, go to the markets of the Near and Far East to study their requirements, their prices and prepare the ground for the distribution of the textile products from Palestine. . . . .

It fell to my lot to negotiate with Baron Rothschild concerning the Dead Sea Potash Concession of the Engineer Novomeysky, when it was about to be consummated. He listened attentively to all the details in regard to the enterprise and then said to me:

"The Dead Sea Concession may well be one of the greatest achievements and one of the most beneficial things for Palestine. If all the technical details turn out to be accurate and the predictions of large possibilities for successful work at the Dead Sea are realized, we shall obtain, thanks to the concession, an important source of export. And export is one of the most important objects of our effort in Palestine. It is, therefore, possible that the enterprise at the Dead Sea may bring in large dividends. But if that is so, I cannot participate in the venture. That must be done through our bank. All the money I have invested in Palestine has been written off by my partners as "charity." But the Dead Sea concession must be viewed as a commercial undertaking which is to yield profit. Under such circumstances I cannot do anything alone. It is the business of the bank. . . . ."

Cheap Credit

In his concern for the development of Palestine industry the Baron was greatly exercised over the lack of facilities for cheap credit. He criticized the economic corporations of England and America for charging relatively high rates on the money they advanced to Palestine enterprises.

"This is not the way," he said to me, "Palestine has no oil or coal. The Jewish workers in Palestine cannot be content with the low standard of living of those in the neighbouring countries or in the colonies. That is why we require cheap credit to stimulate the growth of industry in Palestine."

He maintained that the rates must not exceed two per cent. Otherwise, he thought, the whole existence of Palestine industry would be in danger. He planned to organize a world Jewish corporation with a great deal of capital to develop Palestine's industry. Not a bank, he insisted, since a bank must pay out dividends and must employ directors drawing high salaries, which necessitates the charging of high rates . . .

"In a company of this kind," the Baron would say, "I am ready to have my PICA participate along with other organizations or individuals."

The Baron discussed the matter a great deal with well-known Jewish personalities who came to see him from America. The "Investment Company" with a capital of millions of pounds as proposed by the late Felix Warburg, Lord Melchett and others at the inaugural session of the enlarged Jewish Agency in Zurich in August of 1929, was based on the project as submitted by Baron de Rothschild in the years before the founding of the Agency.

Mr. A. Friedman, one of the main Israel shareholders of Kaiser-Frazer of Israel (right) inspects a testing machine with Mr. Robert A. Rite, U.S. plant manager, who set up the new assembly plant near Haifa. At right is the "Traveller" model, the rear seat of which folds under to give greater loading capacity.

Photos by Schlesinger

MEN AND MANAGERS

THE time a man spends at work is part of his life, and a very considerable part; his work must therefore provide a satisfactory life for him. Men do not, and will not, suspend their fundamental demands for eight hours a day for any conceivable inducement which can be offered in the remainder of the time. In short, the problem with which we are faced is the *humanization of industry*.

And, as we shall see, the paradox of the factory is that if you simply aim to raise production to the maximum you will fail, whereas if you aim to make the factory a satisfying milieu in which to live, productive efficiency will be given to you too.

Failings of Work Planning

A story which Peter Drucker tells is relevant here.

In 1943 he visited two factories making tank engines, both run by the same company and producing identical goods, prepared and laid out by the same engineering department; but they differed greatly in achievement. One regularly exceeded its production quota, had a low absenteeism rate, a low accident rate, and a very low labour turnover, although it was in an area with a rapidly-shifting population. The other had a production rate one-sixth lower, too many accidents and rather a high labour turnover. One factory was a brand-new one, specially designed for the job, the other had been hastily converted to war use. But it was the hastily-converted one which had the good production and morale record.

There was but one difference between the plants. In the new plant all the details of the worker's job had been worked out in advance by an ultra-progressive management; all he had to do was to follow instructions. At the other there had been no time to do that. Management had done the over-all engineering and had worked out the general layout of each operation; but it had had to leave the actual details to be worked out by each group of men among themselves and with their foreman.

Baffling Results

The superintendent who showed Drucker round kept apologizing for what he called the lack of neatness. No two aisles did the job quite the same way or at quite the same speed. In one group the same man would always hold the cylinder block while the cylinder heads were put on by four others; in the next group the men would rotate, etc.

And that, of course, was the secret. Each group was working at its natural pace, without any sense of pressure, and allocating the work in accordance with the skills and preferences of the particular individuals who composed it. The atmosphere was unhurried and easy-going. The most interesting point is that in the new plant every single manipulation was done faster than in the old, hastily-adapted one, but the final result was a lower rate of output.

This result, which does not surprise the social scientist, baffled the efficiency engineers, who found their methods not only achieving less but creating labour problems as well. For one of the important lessons of this story is that labour unrest, turnover and strikes are the direct result of the attempt to increase efficiency by methods which put the worker under a psychological strain.

From "Are Workers Human?" by Gordon Baitray Taylor.

QUEST FOR COTTON

By Ernst Kahn

A RECENT Letter to the Editor of *The Jerusalem Post* raised the question of why Israel does not cultivate cotton. The correspondent pointed out that this important fibre is growing wild in this country.

Undoubtedly, this suggestion touches on a vital economic problem. Our textile industry, though still very young, is already paying well over IL. two million annually in hard currency for imported raw cotton and is again and again confronted with increasing difficulties of obtaining the mighty dollars with which to pay for the raw material. Assuming that our soil could economically produce this material, this would not only help to alleviate our adverse balance of trade and guarantee a smooth production for one of our key industries, but it would open up a wide field for our agricultural sector.

Actually, cotton, the backbone of neighbouring Egypt's economy, was known already in Biblical times. Why then did we never enter the field of cotton growing? Until now the reasons were obvious: Our industry is comparatively young, Jewish land reserves were limited until 1948, the plant needs plenty of water, import at low prices met with no difficulties, and last but not least, the picking of cotton requires cheap labour which is not available in this country.

Practically all these conditions have changed: Our land reserves are multiplied, and 100,000-200,000 dunams would cover our present requirement; the prices of the fibre show a constant upward trend; the technical revolution is replacing human hands by machines, and the ingenious invention of the "cotton-picker" conquers farms in countries with high costs of labour. In addition, artificial irrigation takes the place of rain and rivers in many a country.

California seems to be typical of this latest development. This American state which, until a few decades ago, never appeared as cotton grower ranks now next to Texas as the most important producer in the U.S.A. Typically enough this took place in parts of the Pacific Coast which are waste land with little or no rainfalls, a striking similarity with conditions prevailing in the Negev.

However, as so often, experts differ widely in their opinions. The sceptics claim that the cotton-picker spoils the fibre and artificial irrigation the quality. They doubt the wisdom of growing cotton instead of importing it. Other experts point out that our climate is much more suited for cotton than, say, for wheat. They also believe that if irrigated and machine-picked cotton is good enough for America it should be acceptable here, too, the more so as we might be satisfied if only a part of our requirements were home-grown and — as far as necessary — higher qualities only were imported.

Need for Research

Even if we assume that the issue is somewhat involved, it seems worth while to study the problem seriously.

It is suggested, therefore, that the authorities concerned appoint a Research Committee without much delay. The Ministries of Agriculture and Industry seem to be primarily concerned. The Committee would best be composed of an agronomist, a specialist to be delegated by the Agriculture Research Institute in Rehovot, an economist and a representative of the local cotton industry.

Under its terms of reference this Committee should deal with the following questions:

1. Can cotton be raised in Israel on an economical basis?
2. What is the price difference of locally grown cotton as compared with other cotton producing countries?
3. What yield can be expected per dunam and how does the estimated yield compare with that of other plants?
4. What part of the country is best suited for cotton plantations? (Negev or Galilee?)
5. Are all types of cotton necessary in this country, or would it be advisable to cultivate only selected types?
6. How much time is required for the first stage of production?
7. How much capital would have to be invested?

Developments in HAIFA BAY

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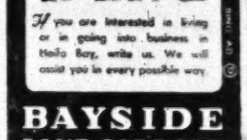

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more on the support of Britain and the U.S.A., although they are at pains to maintain correct relations with Soviet Russia. But their greatest asset lies in the unity and disciplined effort manifested by their peoples."

Elsewhere, the survey notes that "politics in the Middle East turned largely on the relations between Israel and her neighbours. The Arab world has not yet reconciled itself to accepting Israel as a permanent, if new, feature of the political landscape."

Tel Aviv, January 3.

the Middle East today appeals. The violence of this campaign some months ago is linked partly to the Wafd's loss of popularity owing to its failure to secure promised social improvements.

AFTER MIDNIGHT

A master plan to mobilize the civilian defences of the U.S. in case of attack was approved by the House of Representatives yesterday. It went to the Senate for final Congressional action.

The House, which met for the first New Year's day session ever held by either chamber of Congress, also passed an excess profits tax bill representing a compromise between the Senate and the House.

ed hall, Mr. A. Amdur (General Zionists) entered and asked for a five-minute delay "to contact some people." It was granted.

Packed Hall

About ten minutes later Mr. Amdur returned, and Mr. Auster asked whether he had settled his affairs, Mr. Amdur replied: "Only partly." The Mayor then asked if he needed more time, and Mr. Amdur said he would need a "reasonable interval." He then left.

At about 7.30, Mr. Auster General Zionists, Mr. E. Elisshar, refused to vote for Mr. S. Z. Shragai (Religious Bloc), who has the support of the Right coalition, until the Nathanya vote was official.

Mr. Elisshar approached Dr. Y. Burg, Deputy Knesset Speaker and a Hapoel Mizrahi leader, who was observing the proceedings. Dr. Burg gave him his personal promise that his party would support Mr. Oved Ben Ami as Mayor of Nathanya. Mr. Elisshar was then ready to vote for Mr. Shragai.

The coalition members, thereupon, re-entered the hall and said they would stay "indefinitely." They expressed the fear that if they left, the Opposition would hastily schedule a meeting and push through a vote electing their candidate. According to the law, it would be legal even if a quorum were not present.

At about 8.30, Mr. Amdur told reporters that the coalition had not requested the postponement, and that they were ready to hold a meeting that evening. He then called Mr. Auster at home who assured him that a meeting would be held that night, and that he would notify the Council members today of the time for the next meeting.

(See Polish Titles, Page 3, Col. 7)

have deterred Russia from waging "an immediate all-out war of conquest," Mr. Dewey added.

THE JERUSALEM POST

A week's supply of standard size newsprint for the daily press arrived ahead of schedule in Haifa yesterday, and it is expected that newspapers will return to their usual format by the latter part of this week.

The paper now being used is not newsprint, but was prepared for commercial use and is of a very inferior kind. That is the reason for the poor printing of the past few issues of this paper.

ZIPPERS IN THE MAKING

THERE are many everyday objects widely known and in general use which all the same defy definition by simple words. Take for instance the intriguing device known in trade circles as a "slide fastener," a technical term which conveys very little about its nature. The public in various countries significantly calls the slide fastener by onomatopoetic names, imitating the little noise it makes, The Anglo-Saxons call it a "zipper"; in France it is "le zip"; in this country they have invented the even more expressive word "ritch-ratch." But ask anybody to define it in a simple sentence, and all he will tell you is what a zipper is not. It is not a kind of button; it is not "hooks and eyes," and so on.

Among those unable to give a satisfactory answer to our question is Mr. Paul D. Flink, Director of Anak Zippers, Israel American Zipper Manufacturing Ltd., Haifa. But unlike most other people who only know how to use the thing they can't define, Mr. Flink knows how to make it. Before this Zionist of long standing came to Israel, he had owned for many years the Sun Zipper Company of New York. He brought to this country not only the first rate equipment formerly used by his American firm, but its chief engineer as well, reputed to be one of the best men in this highly specialized branch of manufacture. Mr. Flink estimates his investment in "Anak Zipper" at between $ 150,000 to $ 200,000. He owns one half of the firm, the rest of the shares have been acquired by a group of local investors.

"Anak Zipper" started work in November, 1950. As with most newly-established industrial plants, production in the beginning depends on the progress in training the first group of workers, none of whom has had any previous experience. Eighty per cent of the jobs go to women. The present labour force of about 40 is to be increased gradually to 100, while the production capacity of the plant can be doubled by importing additional equipment still left in America.

Raw materials, too, have to be imported from U.S.A. for the time being. A "zipper" consists of three main parts: the tape, the teeth, and the slide. The tape is the narrow ribbon one edge of which carries a row of teeth while the other edge is sewn to the material — cloth, leather, etc. — for which the "zipper" is to be used. This tape is a fabric of extraordinary strength, Mr. Flink told us. Its average "tear resistance" corresponds to the weight of 78 kg., while for a certain kind of tape used by "Anak Zipper" it is up to 90 kg. This requires exceptional quality in the yarn used and a special process of weaving. It must also be possible to dye the tape in the various colours demanded by the customers so as to make the "zippers" used in garments as inconspicuous as possible.

Tapes and Teeth

Special yarns have already arrived in this country, and local textile plants are willing to experiment with the weaving of zipper tape. If these attempts succeed, another step will be reached in the endeavour to make the "Anak Zipper" as much a *tozereth haaretz* product as possible.

Teeth and slides are made either of brass or aluminium. The use of these metals and the way they are processed make it possible for a "zippered" garment to be washed, dry-cleaned and ironed without the slide fastener being previously removed.

The slide is the Y-shaped device which runs on the "tracks" of the teeth like a train, being stopped at both ends of the zipper by a minute kind of stationary buffet like the terminus of a railway siding. Everybody, of course, knows how to work a zipper, but just try to explain its seemingly simple way of functioning. While it may be not too difficult to understand how the downward movement of the slide makes the double row of teeth interlock so tightly that a considerable amount of horse-power would be needed to break them asunder horizontally, this writer, at least, admits to be unable to comprehend why the zipper opens so smoothly by an upward movement of the slide.

Mr. Flink thinks we should not bother about these problems, but become more "zipper-conscious" in a general way, emancipating ourselves more and more from antiquated devices like buttons and buttonholes. As one of the main hindrances to a rapid development of his industry in this country he regards the fact that the price regulations for "lakol" ready wear do not allow the manufacturers to add the few prutot which the public, Mr. Flink is confident, would gladly pay to see their garments supplied with these convenient zippers.

What prospects the slide fastener industry has in really "zipper-conscious" countries is shown by the fact that the oldest firm of this kind in the United States is now producing one million metres of zippers daily — a thousand kilometres of it.

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YOU may safely admit that you know how to put on a pair of shoes when applying for a job as a worker with the Jerusalem Shoe Corporation, but the fact that you worked ever before as a cobbler, or as a worker in a shoe factory will automatically exclude you from the list of suitable candidates.

This may seem strange at first; but the practice of chosing workers with "bland minds" as far as their new job is concerned is on the increase with newly-established industrial plants in Israel, especially those founded by Americans or with American affiliations. Whatever the reasons, this development will no doubt favour the rapid integration into the economy of the country of newcomers from countries untouched by modern industrialism and lacking the most elementary knowledge of any mechanical processes. Thus people who would otherwise remain unemployed for a considerable time or, at best, find work of a very primitive kind at low wages, are enabled, after a comparatively short time of training, to become skilled industrial workers earning good wages.

Training Methods

At the same time, the introduction of these training methods are indicative of a new phase in the industrial development of the country. For they can be applied only where a production process is broken down into as many single manipulations as possible, each stage being very simple. This presupposes the utmost mechanization of the plant and its equipment with numerous, highly specialized machines and tools. At the Jerusalem Shoe Corporation, for instance, the making of a shoe is broken down into no less than 150 to 200 single operations, performed by almost as many different machines with only a few being done by hand.

The Jerusalem Shoe Corporation is affiliated to the second biggest shoe manufacturing firm in the United States — the General Shoe Corporation of Nashville, Tennessee, with plants in various parts of the country and a labour force of 14,000. It has the most complete and modern equipment existing in their line of manufacturing, and is profiting from the expert advice of a number of executives from the American parent firm, one of which is Mr. Clifton Lee, who has 30 years of experience of hiring labour.

Mr. Lee explained to us why he wants his trainees to be "innocent" of any knowledge of shoemaking. The gist of it was that the shoemaking is done by the plant as a whole while the individual worker in it is no shoemaker, but a worker trained to handle a certain machine. The more he is able to concentrate on attaining as quickly as possible the necessary skill and speed required for the simple job assigned to him, the better a worker he will become.

One major condition is that the trainee accepts instruction unconditionally. That is rather difficult psychologically for the man who has worked in the trade before, and the more highly skilled he is, the more "set ideas" about doing the job he will have. This again will interfere with the unquestioning acceptance of the method of working now required of him. The psychological disadvantage of "set ideas" outweighs, in the opinion of Mr. Lee, by far any possible advantage in the form of manual skill, knowledge of material, and so on. That is why, to put it pointedly, the man from the Hadhramaut who never had shoes on his feet before he came to Israel a few months ago, has a good chance to get a job with the Jerusalem Shoe Corporation, while the most skilful shoemaker with a Central European master's degree has no chance at all.

All trainees are provided by the General Labour Exchange, but Mr. Lee has the privilege, not as a rule accorded to other firms, of making his personal choice by interviewing applicants. Sixty per cent of the plant's labour force are women, employed mainly in the "stitching department" and working with different kinds of sewing machines. But, with very few exceptions, the men's jobs, too, are not asking for any special strength or skill.

Work for Immigrants

The new immigrants, Mr. Lee says, who are now forming the bulk of prospective employees, can well compare with their opposite numbers in the U.S. Generally speaking, they still have some difficulty in attaining the standards of speed set by the production plan and regarded as normal in U.S.A. — an experience made in other plants as well. On the other hand, one reason for this deficiency may be found in the fact that the Jewish worker is more conscientious on the job. It can be expected that as he gets more and more adapted to the working conditions of a highly mechanized industry, the speed will increase without impairing quality.

The first group of workers of the Corporation was trained while the plant itself was still under construction. Since it started operations in June, 1950, training proceeded while production was getting gradually into gear, and on the same machines. At the beginning, every worker is trained to do one job only, but after having attained proficiency he is given the opportunity of learning other, more complicated and more remunerative ones.

That this "American system" is showing good results can be gauged from the fact that the Jerusalem Shoe Corporation which produced its first pair of shoes last June is now producing 600 pairs a day, one fourth of the output scheduled for the time when it will run at full capacity.

Refugees Make Bulbs

"ALL this," said Mr. R. Stotter with a sweeping gesture which embraced a lot of machinery which was spouting hissing flames in unexpected places, "all this was brought out of Berlin during the Russian blockade by planes of the American Air-Lift." "But this," he added, pointing at an especially solid looking piece of machinery, "is purely *tozeret ha'aretz*," made by ourselves from the first line on the drawing board to the last screw."

Mr. Stotter, formerly director of the Tungsram factory at Budapest, is now the technical manager of OR-IS, factory for incandescent lamps at Haifa. Between the air-lift episode and the construction of the home-made machine there lies a story with an interesting human background.

The founders of OR-IS are a small group of Polish Jews, some of them survivors of the Nazi extermination camps, while others had fled to Siberia at the beginning of the war. After the war each of them made his own way westward, penetrated the Iron Curtain, and finally made Munich his starting point for Israel. Pooling their resources, they asked advice from the Jewish Agency, which recommended the establishment of a factory of electric bulbs, advising them that a technical expert, chief engineer R. Stotter, was already in the country and ready to join forces with them. The group appointed one of their members, Mr. Nehemia Kolodny, as administrative director. Mr. Kolodny had been the administrator of eight vocational schools established in Germany by ORT for a number of years.

The group succeeded, in spite of all difficulties, in buying the most up-to-date equipment for their future factory in Berlin. When they were ready to ship it to Israel, the Russian blockade intervened and it took some time until the Americans agreed to fly the heavy boxes out of Berlin in a kind of "air lift" in reverse."

Arrived in Israel, the group founded the OR-IS Factory of Incandescent Lamps, Haifa, with a capital of IL.40,000 while investments in machinery and raw materials made up to now are estimated at between IL.50,000 and IL.60,000. The factory is planned for an annual production of 900,000 lamps of various kinds, which would amount to about a third of the country's present demand. Production of standard lamps of between 25 and 150 watts has started recently after an initial training of a group of 30 workers, most of them women. The daily output will be increased gradually until the plant will be working at top capacity.

Invisible Wires

Like most factories of this kind—with the exception of a few of the biggest ones which are producing all the composite parts of their products themselves — OR-IS is dependent on the import of several half-manufactured parts and materials, including half-finished glass bulbs, different kinds of glass tubes and pipes, very thin wire of steel and wolfram. Some of the latter has a diameter of 0.002mm. only which makes it invisible to the naked eye so that its control in the coiling machine is possible by microscope only.

To the layman, the fabrication of electric bulbs is of special fascination. Part of the plant is a highly specialized glass works with every machine being an intricate combination of Bunsen burners and conveyor belts, every movement of the latter synchronized to a fraction of a second in order to expose the different glass components to exactly the right heat in exactly the right spot for exactly the right length of time. A special apparatus constructed by Engineer Stotter produces a minute disc-like part of the bulb and at the same time smoothes the rims of cut glass pipes of various length.

Fascinating Process

Equally fascinating is the handling of the exceedingly thin wires, which is being done partly by hand—one of the few operations asking for special manual skill. Another part of the factory forms a chemical plant in miniature where a higly complex apparatus processes and cleans the Argon gas with which the bulbs are filled after the air has been pumped out. Finally, there are the testing stands where dozens of specimen bulbs at a time are burning brightly for hours on end before they are declared fit for sale.

As nearly every industrial plant in the country, OR-IS is hampered by the insecurity of future supplies of raw materials. In addition, the fact that a branch factory of a big foreign firm will soon start to produce electric bulbs at Tel Aviv has caused the owners of OR-IS to hesitate in bringing over additional equipment already acquired in Europe. The allocation of shares in the home market and the prospects of exportation will decide the future development of this impressive venture.

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In considering this tent business, we should beware of one meaning of the word, which gives 'tent' as a roll of linen inserted into a wound to keep it open. All such should be resolutely banished from the ma'abarot, and replaced by the other sort of 'tent,' a deep red Spanish wine, which will surely warm the cockles of every heart in every camp. The Army is seeing to it, with efforts more than tentative that the camps will be able to stand up to the weather, but though present portents are good, we shall have to make greater exertions in 1951 to make all inhabitants of Israel content.

WEEKLY SEMINARS

Haifa: Today, Monday, January 1 at 4.30 pm. at the home of Mrs. Gideon, 18 Hatishbi A St., French Carmel.
Judge B. Rosenblatt, on "The Jewish Agency as a Link Between Israel and World Jewry."

Tel Aviv: Tomorrow, Tuesday, January 2, at 4.30 p.m. at The Hadassah Club, 30 Hayarkon St.
Mr. David Crohn, on "Non-Political Organizations in the Upbuilding of Israel."

Jerusalem: Wednesday, January 3, at 4 p.m. at the home of Mrs. Sari Berger, 29 Benjamin Metudela Street, Rehavia.
Mr. I. Roskin-Levy, on "The Cooperative Movement in Israel."

VISITORS IN ISRAEL ARE CORDIALLY INVITED

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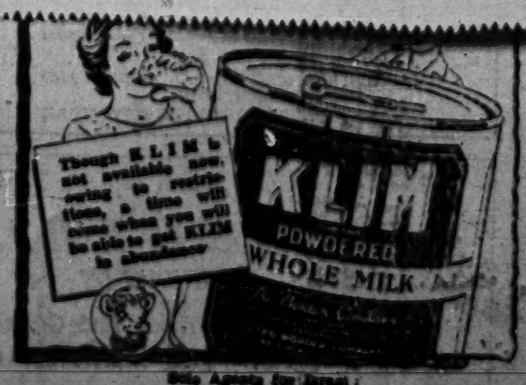

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TO ISRAEL BY C. Z. KLOETZEL

Refrigerators Revived

AS every American woman dreams of possessing a mink coat, so every housewife in Israel dreams of possessing an electric refrigerator. The latter is the more sensible, the more justified longing. After all, there are less expensive ways of keeping a lady warm, than wearing a mink coat, but there is hardly a more efficient way of keeping the rations cool.

Small wonder that the population was stirred by the news that a strange venture had been established in Haifa proposing to "rejuvenate" old refrigerators and to market them at considerably lower prices than those of new ones. The news was received with keen interest mingled with doubts. "As good as new" is a slogan not especially favoured by cautious buyers, and the refrigerators "rebuilt" by the Kestenbaum Manufacturing Co. Ltd., New York and Haifa Bay, will have to stand the test of time in order to conquer the market. In the meantime, more should be known by the public about this attempt of creating a new industry in Israel which is new not only to this country, but hardly exists anywhere else.

The Kestenbaum Manufacturing Co. Ltd. was founded by Mr. David Kestenbaum of New York, a fur merchant who succeeded in transferring a considerable fortune from Europe to the United States, and in becoming even more rich there. An ardent Zionist of long standing, he felt the urge to participate in the economic development of Israel, and the fact that two of his sons are refrigeration engineers was decisive for the field of activities chosen.

The firm started preparations about a year ago under the technical management of the elder son, Leonard, who has an outstanding reputation among the refrigeration engineers in America. Unfortunately, after some time he got "fed up" with what he regarded as unnecessarily unfavourable conditions under which private industry labours here, and returned to America. His place was taken by his younger brother, 27 year old Benjamin Kestenbaum, an energetic young man of decidedly "halutzic" character who enjoys fighting adversities of all kinds and is determined to stick it out.

In order to understand how the rejuvenating job is being done, a short discourse about the thermodynamics of refrigerators is indispensable. There are some chemicals which, in very low temperatures or under high pressure, are forming what is called "volatile liquids" which boil and become gaseous under low pressure and in normal temperatures. While changing from liquid into gas, a great amount of heat is consumed. If the process goes on within the confines of closed space like in the cooling compartment of a refrigerator, temperature within this space can be lowered at will within certain limits and under the control of a thermostat. The process is self-perpetuating as the gas is reformed by compression into a liquid to be used over and over again.

Sealed Units

Now the most important and most valuable parts of the refrigeration mechanism, the container of the volatile liquid, the pump and the motor driving it, are not only hidden from view, but encased in a kind of strongbox without lock or key, forming a so-called "sealed" or "hermetic" unit. Like the sealed motor in a Rolls Royce car, this unit is supposed to function flawlessly for years, untouched by human hands. If something goes wrong inside this "chest" of a refrigerator, it must go back to the factory for some complicated and expensive chest surgery which involves cutting open the strongbox to get at the faulty part. In America, in most cases such a major operation is not regarded worth while; refrigerators with faults inside the sealed units are regarded as scrap. But only for economic not for technical reasons. And what's scrap in America is valuable raw material for the new Israel industry introduced by the Kestenbaum Manufacturing Co.

Israel railways speed up loading with the latest mobile "fork lifters," one of which is shown above. Photo by Schlesinger

They are buying disused refrigerators in America irrespective of brand and conditions at a flat rate and shipping them to Haifa. Though the rate of faulty sealed units in new refrigerators is only 4 per cent in America against 15 per cent in this country there is an almost unlimited supply of this kind of scrap. "We do not even try to find out what's wrong with them," young Mr. Kestenbaum told us. "Whatever it may be, we rip out the "sealed unit," cut it open, take out its component parts, and then start rebuilding it according to the most rigid standards of the trade. We are not doing a *repair* job, mind you, but a *reconstruction* job. We will use everything of the "scrap" which can stand the test, but we will replace anything not up to standard."

As far as the layman can judge, the rejuvenating is done very thoroughly. Especially impressive among the mechanical equipment are the testing devices, many of them constructed locally. The reconstruction of a "sealed unit" is precision work implying the observance of tolerances of 1/1,000 mm. The perfect reconditioning of the other parts of the cooling system as well as of the shell is done with equal thoroughness.

Experts Train Workers

Five American experts, one from England and one from South Africa act as engineers and foremen, training about 50 workers, some of them quite young boys. Production, on provisional premises is to be increased to a maximum output as soon as a permanent plant has been occupied and the training of a sufficient labour force is completed.

The price of a "rejuvenated" refrigerator is considerably lower than a new one. One year guarantee is given. At present the sale of refrigerators is restricted by Government regulations, and to buy one against Israel pounds requires a permit which is hard to get. On the other hand, your friends in America are able to present you with one by paying it in dollars in New York.

While the Kestenbaums foresee a boom for their rejuvenated refrigerators, especially if the supply of new ones becomes scarce in consequence of the American armaments programme, they point out that the industry they are creating is far more than a stopgap. Already they are swamped with demands for repairing refrigerators which otherwise would have to be shipped back to factories in the United States, Britain or Sweden. The more refrigerators come into use in this country, the greater will be the importance of a plant perfectly equipped to repair "sealed units" with a trained staff to service refrigerators all over the country.

SWISS METHODS FOR CEREALS MANUFACTURE

By a Special Correspondent

ONE of the most popular words in "Pinglish" is "Kvacker" — the word for rolled oats derived from the popular American brand-name for oatmeal, "Quaker Oats." Now for the first time, rolled oats are being made here at a modern plant in Rehovot.

When two prominent Swiss Zionists, both of families with long milling traditions, discovered that Israel was without machines for peeling oat and vegetable products, they began negotiations with the Israel government and sent their business manager to investigate the prospects for setting up a plant. The government welcomed the idea, and the "Swiss Israel Food Industry" was registered in Rehovot last year. Half the shares are held by the directors of the Swiss "Malzfabrik and Munoprodukte Ltd." and the "Klingenthalmuller." The other half of the capital was put up by two Israel milling experts, one of whom was already operating a flour mill.

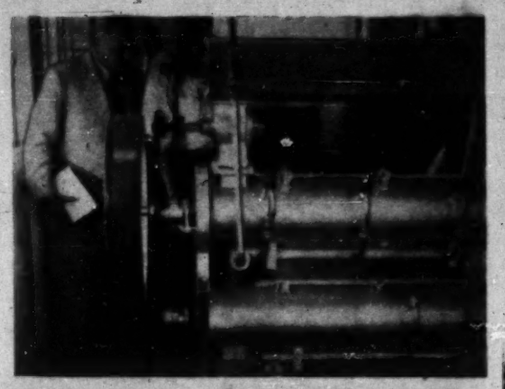
The five-story "Shefa On" plant was designed after the latest pattern and new Swiss machinery was imported by the other Israel partner. This modern equipment, beside producing rolled oats, also prepares porridge, oat flour for foodstuffs, barley products, peas, and lentils.

Oatmeal and Porridge

The processing is rapid and economical. The raw oats are carried from the factory's silo to cleaning machines which with shaking apparatus and vacuum tubes remove the dust and foreign matter. After it has softened under steam, a grinder operating in dry vapour breaks the husks and freshens the material. The oats are peeled, the husks removed and the grains are cast off according to size, the larger ones go into the rollers whilst the smaller ones are used to make porridge.

The grains are then split, pre-cooked in steam and passed through the rollers. The steam pre-cooking improves the taste and throughout the operation the oats are not touched by hand, as they are passed between floors and through the machines in tubes and elevators.

The oats which up to now have been imported from Australia will in future be grown here. Thousands of dunams have already been planted in the Negev and it is hoped to export the product within a few years. Only 25 per cent of the foreign currency formerly needed to import the prepared product is now necessary to import the raw oats. Israel labour makes the article 40 per cent cheaper on the retail market.



Israel technicians watch the Swiss peeling machine prepare the oats for pre-cooking. POST Photo

By-products of the factory make first-class cattle fodder and chicken food. "Shefa On," which was started with a share capital of IL.30,000 and an investment capital of IL.50,000 can now produce between five and six hundred tons a month. The well-lit, hygienic factory employs 25 workers, mostly men who were in the milling industry in Middle and Western Europe, who received additional instruction from Swiss experts.

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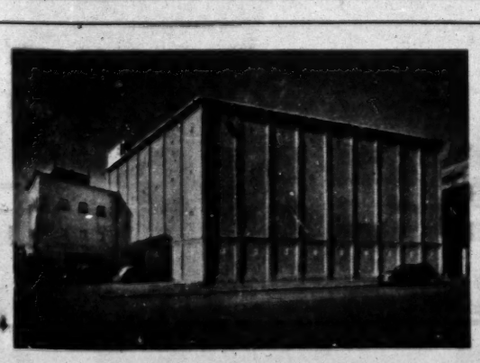
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AFTER MIDNIGHT

all the three regions would be out of the question, and it should not be difficult to work out which region, or rather the part of that region, which would be left to its own devices. In the circumstances, therefore, Israel has an urgent purpose, which is to keep its head; and to use what influence it may have towards the prevention of a war which is wholly unnecessary and far from certain.

Tel Aviv, January 3.

ain and the U.S.A., although they are at pains to maintain correct relations with Soviet Russia. But their greatest asset lies in the unity and disciplined effort manifested by their peoples."

Elsewhere, the survey notes that "politics in the Middle East turned largely on the relations between Israel and her neighbours. The Arab world has not yet reconciled itself to accepting Israel as a permanent, if new, feature of the political landscape."

A master plan to mobilize the civilian defenses of the U.S. in case of attack was approved by the House of Representatives yesterday. It went to the Senate for final Congressional action.

The House, which met for the first time New Year's day session ever held by either chamber of Congress, also passed as an economy measure the bill incorporating a compromise between the Senate and the House.

peak. The violence of this campaign some months ago is linked partly to the Wafd's loss of popularity owing to its failure to secure promised social improvements.

ed hall, Mr. A. Amdur (General Zionists) entered and asked for a five-minute delay "to contact some people." It was granted.

Packed Hall

About ten minutes later Mr. Amdur returned, and Mr. Auster asked whether he had settled his affairs. Mr. Amdur replied: "Only partly." The Mayor then asked if he needed more time, and Mr. Amdur said he would need a "reasonable interval." He then left.

At about 7.30, Mr. Auster General Zionists), Mr. Elishar, refused to vote for Mr. S.Z. Shragai (Religious Bloc), who has the support of the Right coalition, until the Natanya vote was official.

Mr. Elishar approached Dr. Y. Burg, Deputy Knesset Speaker and a Hapoel Mizrahi leader, who was observing the proceedings. Dr. Burg gave him his personal promise that his party would support Mr. Oved Ben Ami as Mayor of Natanya. Mr. Elishar was then ready to vote for Mr. Shragai.

The coalition members, thereupon, re-entered the hall and said they would stay "indefinitely." They expressed the fear that if they left the Oppositim would hastily schedule a meeting and push through a vote electing their candidate. According to the law, it would be legal even if a quorum were not present.

At about 8.30, Mr. Amdur told reporters that the coalition had not requested the postponement, and that they were ready to hold a meeting that evening. He then called Mr. Auster at home who assured him that a meeting would not be held that night, and that he would notify the Council members today of the time for the next meeting.

(See Page Three, Col. 2)

have declared Israel is waging "an immediate all-out war of conquest," Mr. Dewey added.

THE JERUSALEM POST

A week's supply of standard size newsprint for the daily press arrived aboard of a steamer in Haifa yesterday, and it is expected that newspapers will return to their usual format by the latter part of this week.

The paper are being used not only for editorial and news purposes, but was purchased for commercial use and the paper has already sold out. This is the reason for the poor appearance of the past few issues of this paper.

ABSORPTION OF MASS IMMIGRATION

Latest addition to Haifa Port's safety facilities is a new fire fighting boat.

By Gerda Luft

THE conception of absorptive capacity in the Zionist vocabulary stems from the early time of the British mandate when the volume of Jewish immigration was determined by a relation between the supply of capital and of labour. There was, it is true, a never-ending dispute over the interpretation of the figures indicating the employment position, but on the administrative level a certain *modus* prevailed.

With the establishment of the Jewish State and the proclamation of unlimited immigration all these barriers were swept away, and although we continue to speak of the absorption of immigrants, the notion of "absorptive capacity" in the economic sense has disappeared entirely. There were, it is true, some plans made based on the relation between a certain number of immigrants and the amount of capital required. But in actual fact immigration continued without consideration for these plans and today, after we have brought in half a million immigrants, the question arises of how far these people have been "absorbed."

A New Definition

In order not to become lost in meaningless words it is necessary to try and define first what we mean by absorption. Generally speaking, it means that the immigrant has been enabled to gain an economic foothold in the country and to become an "earner." A man or a woman who is able to earn his or her living without having to fall back on public funds can be said to have been "absorbed" into the economic life of the country. This definition is fairly accurate so long as we have to deal with a reasonably homogeneous population with an accepted standard of living. Before mass-immigration started we knew fairly well, for example, what was meant by the minimum standard of living required for the Jewish worker in the country, and we could be sure that if immigration did not in the long run produce a chronic unemployment "absorption" was proceeding without a hitch.

Today things have changed entirely. We still use the word "absorption" without being aware of the fact that it needs a new definition. If we take, for instance, the figures on employment we shall soon see that they do not provide a true picture of the actual position in the labour market. Firstly, we have accepted the fact that only those who work less than three days a week are to be called unemployed in the orthodox sense of the term. That means, of course, that a considerable number of people in the country live today not on the minimum income considered necessary for the existence of the average worker but on three eighths of it. Are we to assume that these partly employed people are "absorbed" into the economy or not?

Standard of Living

Secondly, are we to assume that the minimum standard of living as accepted by the old-established workers, let us say, the settler of Merhavia or Nahalal, or the worker with steady employment in a factory, is still the rule by which we are to measure the process of absorption? If so, the question must be asked if immigrants who work a dunam or two of vegetables and have in addition some chickens and a goat and thus manage to keep body and soul together are taken to be "settled" or not. In many cases these people are no longer receiving grants from public funds. They are supposed to find their own way and to earn their own living. Lack of money has compelled the Government and the settlement authorities to abandon orthodox methods and plans for full equipment in an increasing number of cases and to start settlements with only the barest necessities and a minimum of tools and livestock. This must in the long run lead to fundamental changes in our agricultural development and perhaps produce new types of farmers and farming. Seen from the angle of absorption, however, the question remains of what standard of living can be attained by this minimum of equipment, not today, but in the near future.

The same problem appears in another but not less pressing form so far as housing is concerned. We are swamped with figures on housing schemes, on buildings, huts and other forms of contemporary dwellings completed and planned, but we are apt to forget that housing means not a temporary hut which often does not even withstand the first heavy rains, but a dwelling which is fit for a family to live in and to raise children. Here, too, a double approach is possible: we can assume that the problem of housing is solved for a family if they are provided with a room to live in and we know quite well that this, for tens of thousands, is still an unattained ideal. There is, however, also the "normal" approach which takes as a goal the avoidance of overcrowding, reasonable living space, and the amenities of a healthy life, healthy from the sanitary as well as from the social point of view. In our conditions, we are unable even to plan for this goal. But the question must again be asked of what definitions we should accept for the notion of absorption.

From Camp to Ma'abara

When the first plans for mass immigration were made, it was assumed — as for instance in the study by Robert Nathan—that the immigrants would remain in camps for a fairly long time and that they would gradually be settled with full equipment on the land and in the towns. This scheme was in fact adopted at the beginning and it was abandoned mainly not because of the demoralizing effect of idleness on the inmates but from sheer lack of funds. Means and capital for planned absorption were lacking. So improvisation became rather the rule, as we see most strikingly in the necessity to mobilize the army for help in the *ma'abarot*. In these camps too we have to find a new definition for absorption. Here people may be provided with an aluminium hut and live on what they earn by working three days a week on road-making or afforestation. Are we to say that these people have been absorbed into the economy or not?

There are two approaches to the problem. The one is to evaluate absorption according to the realization between capital and the number of people to be settled. It might be quite possible, and claimed by Dr. L. Gruenbaum in his Four-Year-Plan, that the average amount needed for the settlement of a family is much lower than a thousand pounds, although with world prices rising our calculation would need alterations too. But it is fairly obvious that, economically speaking, we cannot expect miracles, and if we want immigrants to reach a certain standard of life, we have to supply them with the necessary equipment, entailing a minimum of expenditure for every family.

Steady Employment

A second approach would be to consider an immigrant as "absorbed" if he is being employed steadily for a certain number of days a month. The decision as to the number of days — in our opinion more than 12 are necessary on any account—would depend upon the standard of life we are prepared to accept as a minimum for a citizen of Israel. This definition of "steady employment" leaves obviously many loopholes for inaccuracy. Are public works of limited duration to be taken as steady employment? Are we to regard a family as absorbed if they are in the first stages of agricultural settlement, or must we wait until they are sure to get the necessary equipment to develop a modern farm?

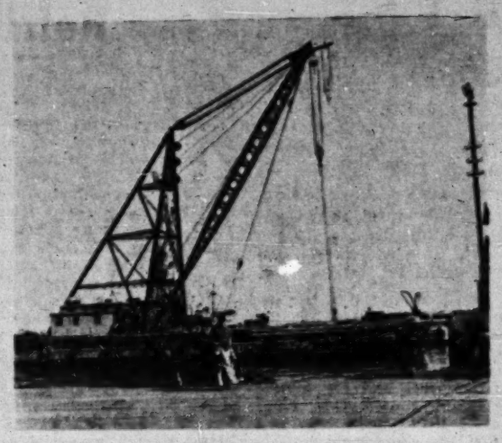
Viewed in this aspect, statistics, published today, need re-examining. Nobody could expect that three years after the beginning of mass-immigration, and with funds as scarce as they are, the process of absorption should proceed without a hitch. With ample funds the best way would, of course, have been, not only to house the immigrants in camps, but to train them carefully until they were able to move on to jobs and houses. This has proved to be impossible because the influx was too great, not only measured against the capital required but also against the organization and professional skill at our disposal.

The Hard Way

Absorption must, in prevailing circumstances, proceed the hard way entailing hardships not only for the newcomers, but shortages for all the citizens, and much of that confusion which is characteristic of every period of economic revolution. It will be better, in the long run, to recognize the task in all its ramifications, to accept the difficulties involved, and to try to overcome them by fixing priorities. At the present juncture, we must record it as an achievement if we can give the unemployed even three days a week in public works, and the homeless an aluminium hut. But the distant prospect of providing steady employment and decent housing for everyone should not be lost sight of even in today's troubled times.

HAIFA PORT EXPANDS

"Facilities existing in Haifa Port prior to the arrival of new equipment under the Export-Import Bank Loan enabled the port to handle a maximum of about one million tons per year." This statement introduces an interim report by Mr. Amos Landman, the Haifa Port Manager, on the use made of the loan. A few excerpts from this report are given here.



Pride of Haifa Port is the 100-ton crane "Samson." Port Photos by Schlesinger

The equipment formerly used was inadequate and worn out. In addition, conditions have changed after the Mandate. In the first place, imports have been steadily increasing as a result of immigration and development of the country; secondly, the port is now being operated by Jewish personnel with European standards of work requiring extensive mechanization.

Unless a new port could be constructed, port capacities had to be increased. Haifa port being the only deep-water harbour in the country and handling about 80 per cent of Israel's sea-borne trade, it was only natural that a solution had to be found. This could be achieved either by a long-term programme including the construction of additional deep-water berths, or by a short-term programme confined to replacement of equipment and further mechanization. It was estimated that the short-term plan, when fully implemented, would increase the existing capacity by 50 per cent to 1.5m. tons.

All-Time Record

The first equipment approved by the Export-Import Bank, arrived in January, 1950, and was immediately fitted and put to work. Mr. Charles C. Crooks, an American expert on port operation, directed and supervised most phases of the new arrangements.

As early as March, 1950, the effect of the new equipment made itself felt. That month brought an all-time monthly record of 120,259 tons of imports handled, as compared with the previous record of 91,669 tons in March 1947. Since then, a monthly volume of 100,000 tons of imports per month has become a normal feature. Whereas total import and export handled in 1949 amounted to 904,656 tons, this figure has already been exceeded in the first nine months of 1950.

This remarkable achievement has been made possible by better utilization of the existing berths and by establishing about 12 additional lighter points. Modern steel lighters, mobile cranes, tractors and trolleys are servicing the new lighter points. Two additional sheds have been constructed, railway tracks paved to permit motor circulation and to enable forklifts access to trucks, eight new shallow water berths were constructed, electric lighting extended, new railway lines laid, etc. One result of this improved efficiency was the increase of direct delivery of goods from the quay to road transport for 15-50 per cent of total tonnage handled.

The full cumulative benefits of all this new equipment will make themselves felt only from now on. But already the port's capacity has been increased by about 35 per cent as compared with last year and an increase by 50 per cent can be expected in the near future. A further substantial rise in port capacity is possible if additional stores and equipment can be made available.

"YAKHIN — HAKAL" ACTIVITIES IN 1949/50

1. **CULTIVATION OF CITRUS GROVES:**
"Hakal" Agricultural Contracting Co. Ltd. (Founded by Yakhin & Pasa). — Cultivation of 14,500 dunams of groves situated in 21 settlements.
"Hakal—Yakhin" — joint cultivation of 12,000 dunams of groves appertaining to the Custodian of Abandoned Property.
2. **VEGETABLE GROWING, NURSERIES:**
"Hakal" Vegetables Ltd. — cultivates 4200 dunams situated in 8 settlements; 5000 additional dunams in 9 settlements are under scheme: 3600 d. vegetables; 1000 d. seeds; 400 d. nurseries.
3. **CITRUS FRUIT MARKETING:**
"YAKHIN" Agricultural Cooperative Association Ltd. — exported during the 1949/50 season 600,000 cases of fruit, and supplied 13,500 tons of fruit for local consumption, representing 15% of the total quantity marketed by the Citrus Marketing Board of Israel.
4. **CITRUS FRUIT BY-PRODUCTS & VEGETABLE PRESERVES:**
"YAKHIN" Canning Co. Ltd.: 6000 tons of citrus fruit were used for concentrates and juices for export. The local market was supplied with sweetened juices, jams and vegetable preserves.
5. **AGRICULTURAL SETTLEMENTS:**
"YAKHIN" Middle Class Agricultural Settlement: — organizes and prepares agricultural settlements on a total area of 20,000 dunams of Jewish National Fund land, for persons with private means.

Summary: The current year's turn-over of the affiliated undertakings amounted to IL. 250,000 and approximately 2000 workers were employed during the year.

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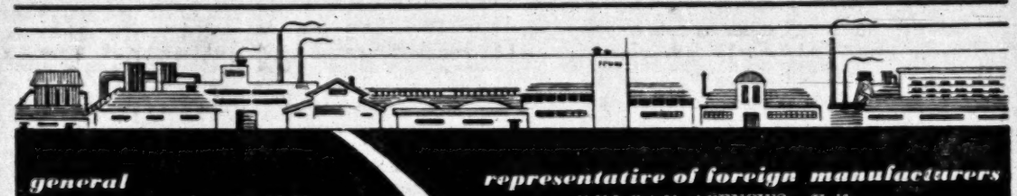
THE ROAD TO PEACE



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In considering this tent business, we should beware of one meaning of the word, which gives 'tent' as a roll of linen inserted into a wound to keep it open. All such should be resolutely banished from the ma'abarot, and replaced by the other sort of 'tent,' a deep red Spanish wine, which will surely warm the cockles of every heart in every camp. The Army is seeing to it, with efforts more than laudatory that the camps will be able to stand up to the weather, but though present portents are good, we shall have to make greater exertions in 1951 to make all inhabitants of Israel content.

WEEKLY SEMINARS

Haifa: Today, Monday, January 1, at 4.30 pm. at the home of Mrs. Gideon, 16 Hatishbi A St., French Carmel.
Judge B. Rosenblatt, on "The Jewish Agency as a Link Between Israel and World Jewry."

Tel Aviv: Tomorrow, Tuesday, January 2, at 4.30 p.m. at The Hadassah Club, 30 Hayarkon St.
Mr. David Crohn, on "Non-Political Organizations in the Upbuilding of Israel."

Jerusalem: Wednesday, January 3, at 4 p.m. at the home of Mrs. Sari Berger, 39 Benjamin Metudela Street, Beharia.
Mr. I. Rokin-Levy, on "The Cooperative Movement in Israel."

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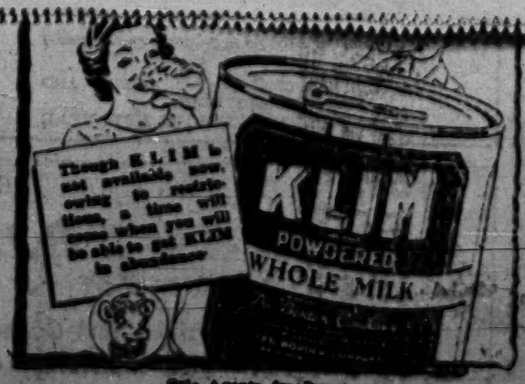

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FIELD FOR FOREIGN CAPITAL

By a Special Correspondent

DURING its first six months of operations, the Government Investment Centre approved 265 new projects and recommended 75. Some 200 more projects are under examination at present.

Investment capital involved in the approved enterprises during that period totals IL.36m., nearly half of which came from abroad. Of the latter amount, only just under 40 per cent consisted of American dollars, equivalent to IL.6.3m. or 17.5 per cent of the total. In addition, the "recommended" projects have brought about IL.4m., mainly in Israel pounds.

These figures show a considerable rise over the statistics published after the first four months of operations, when the Centre had approved 131 enterprises and recommended another 36, and when total investments amounted to IL.16m. Two thirds of all approved enterprises are either in the construction stage or already working, while the remainder is still in the planning stage. A further fact worth mentioning is that between 80 and 90 per cent of all projects, in numbers as well as in investments, are private, and the rest Labour enterprises. The latter include two pipe plants, a motor factory near Lydda, and the extension of the Phoenicia Glass Works.

Without the blessings of the Centre, no new enterprise can develop smoothly in Israel nowadays. The Centre directs the location of its establishment, the raw material supply, the purchase of machinery, etc., with the purpose of raising production, helping to absorb mass immigration, distributing the population according to the Government's plans, improving the country's payments balance, and developing its natural resources.

Facilities consist mainly of tax and customs exemptions or reductions, the release of foreign exchange for the importation of raw materials and machinery and — as far as foreign investors are concerned — an annual re-imbursement in foreign exchange of up to 10 per cent of the investment.

Mr. Kaplan's announcement in September that additional benefits will be granted to foreign investors, applies "only in exceptional cases where foreign currency earnings of enterprises are so high as to warrant such a step," Centre officials stress.

Currency In Circulation
(In million Pounds)

5. 4.1950	55.7
5. 7.1950	57.4
20.12.1950	73.3

BANKS
Demand Deposits
(In million Pounds)

April, 1950	94.8
September, 1950	104.1
October, 1950	109.5

Bills Discounted, Treasury Bills, Advances
(In million Pounds)

April, 1950	101.5
September, 1950	116.1
October, 1950	120.5

According to statistics compiled at the Centre, most foreign investors combine with local capitalists. In many cases, the former import the equipment and the raw materials, while the latter erect the plant.

Policy and Practice

Many reports have been current in the country during the past few months of the Centre's slow routine or its reluctance to sanction new ventures and grant the various facilities. There have been a number of foreign would-be investors who left the country disappointed, stating that they could not waste weeks until the Centre has made up its mind. Others have complained that too many ties and restrictions are attached to the buiding up of an industrial venture here, despite the fact that, during the first few years at least, earning prospects were almost non-existent. Had the Centre been quicker in its decisions, they argue, they might have decided otherwise. But while they were negotiating, the situation changed, they assert.

To these criticisms the Centre replies that countless tourists had called and made inquiries; that they had come with very vague plans and drawn back afterwards with the excuse that they could not wait many weeks before going ahead. Others had made too extravagant demands; they wanted to manufacture goods with which the market is already saturated and which offered little prospects for export; others demanded all the benefits the Law provides, without offering sufficient guarantees that their products would be competitive in the world market, or that raw materials could be obtained continuously.

The Centre needs, first of all, adequate offices and sufficient staff, so that visitors need not wait long hours to discuss their problems with an official.

Officials at the Centre admit that shortage of staff (there is at present only one auditor without assistants, and one field investigation officer) retards the handling of cases and leads to a situation where investment possibilities are not being used to the full.

Serious efforts are being made to improve the position as much as possible. A caller is given an outline of the Law, and if he returns with concrete plans, a questionnaire, including well over 100 questions, is filled up in his presence. That forms the basis of the ensuing examination.

Properly briefed representatives abroad might also help foreigners who wish to invest money to Israel. Since the promotion of foreign investment in Israel is one of our foremost concerns, it will be of paramount importance to develop methods which will enable the prospective investor to undertake a preliminary examination of his project in the light of prevailing conditions, without having to travel to Israel in order to collect initial information.

The Value of Saving

By Sir Leon Simon

THE virtue of thrift seems to be as extinct as the dodo. It is no longer possible, as it was in Victorian England, to exhort people to save for saving's sake. Nowadays we take a less ascetic view of life, and we see no point in abstention except as a means to later enjoyment. If saving is to be encouraged at all, it must be on the ground that it is more sensible to save up one's spare cash to buy something that is worth having than to fritter it away in the purchase of momentary satisfactions. "Wise saving for wise spending" is the slogan of the British National Savings Committee—and there has to be a good deal of emphasis on the spending.

The change in ethical outlook is accompanied by a change in economic theory (and perhaps there is some hidden connection between the two changes). Under the influence of thinkers like the late Lord Keynes, economists have become more alive to the dangers of excessive saving than to those of excessive spending. To save money instead of spending it means to curtail the demand for consumption goods, and this curtailment inevitably leads to a shrinkage of production. The more saving, it appears, the more unemployment.

HOW BRITAIN SAVES

Accumulated national savings in the United Kingdom are shown in the following figures (in million Pounds).

Categories	March 1939	March 1945	March 1950
National Savings Certificates	517	1,770	2,146
Securities on Post Office Register	203	965	1,144
Post Office Savings Banks	486	1,578	1,961
Trustee Savings Banks	228	555	877
Total	1,434	4,888	6,128

Adding together these savings and other forms of thrift for which figures are available, the total national saving was estimated in November, 1950 at some £180 per head of the population, which is about two-and-a-half times the pre-war figure.

The process is illustrated by an amusing story of a Parisian artist who, having entered his favourite café one morning, as was his wont, for a glass of wine, sat down at a table on which lay a newspaper, and his eye was caught by the headline: "Financial Crisis: We Must Save." Taking the warning to heart, he declined the waiter's offer of a second glass of wine, explaining the reason. The waiter, told the proprietor of the café, who, in obedience to the injunction to save, countermanded an order which he had given for a new silk dress for his wife. The dressmaker, fearing a slump in her business, decided not to proceed with a planned extension of her premises, and informed her architect accordingly. The disappointed architect wrote to the artist that, business being bad, he must regretfully cancel the commission for a portrait of his wife. On receipt of the letter the artist sought consolation in his favourite café, and happened to sit at the same table at which he had sat a few days earlier. The newspaper was still there, and on examining it more closely he found that it was two years old!

The moral of that story is obvious, and to some extent salutary. In an economically developed society a contraction of the demand for a particular commodity may have results which will be felt far beyond the field of the industry immediately affected, and may cause a serious dislocation of economic equilibrium and a great deal of hardship to many people. The proposition that a society will be wealthier if its members limit their consumption to the bare minimum than if they gratify their appetites more generously—a proposition which on the face of it looks reasonable—does not necessarily hold good, at any rate on the short view, in the complex conditions of modern industrial life.

At the same time, the doctrine that it is a duty to spend money in order to create or maintain employment, if pushed too far, would lead to absurd or catastrophic results. A society that consumed from day to day everything that it produced itself or could obtain from abroad in exchange for its own productions—such a society could not provide itself with new roads, railways, buildings, etc., and could not replace its worn-out machines or obtain better ones. There must obviously be saving, i.e. non-spending on consumption goods, to meet capital and development needs. In a completely controlled economy this could no doubt be achieved by taxation and other governmental measures; but in a society in which "planning" is not carried to absurd lengths, the decision whether to spend or to save must be left to a considerable extent to the free choice of the individuals whose incomes exceed their minimum requirements.

But if the need for individual saving exists even in normal conditions, it becomes doubly urgent when the smooth working of the economic system has been upset by some natural or man-made catastrophe, and the available quantity of things which people need or want is not sufficient to satisfy the demand. In such circumstances, as we all know, the competition among buyers for the restricted supply of goods and services sends prices up, and the rise in prices leads to irresistible demands for increased wages, and higher wages necessitate still higher prices, and so on.

In the fight against runaway inflation the Government has to lead, with its weapons of price control and taxation; but here again there are limits beyond which governmental compulsion cannot go, and it is incumbent on the individual citizen to help by voluntary action. One way of doing this is to put by some of his earnings not necessarily for a rainy day, but for the joyful day on which the spectre of inflation will no longer spoil the view.

The Government has announced its intention of setting up a Post Office Bank, which will provide facilities for saving as well as a Post-Cheque service, and it is hoped that this scheme will mature in the fairly near future. With the co-operation of the public, the Post Office Bank will be able to play a part of very great importance in the battle against inflation.

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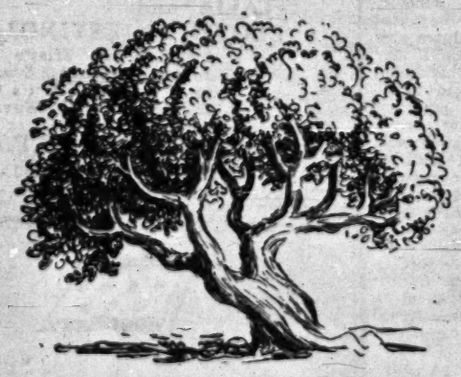

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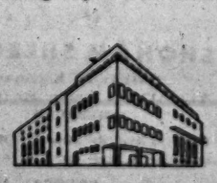

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more on the support of Britain and the U.S.A., although they are at pains to maintain correct relations with Soviet Russia. But their greatest asset lies in the unity and disciplined effort manifested by their peoples."

Elsewhere, the survey notes that "politics in the Middle East turned largely on the relations between Israel and her neighbours. The Arab world has not yet reconciled itself to accepting Israel as a permanent, if new, feature of the political landscape."

Tel Aviv, January 2.

AFTER MIDNIGHT

A master plan to mobilize the civilian defenses of the U.S. in case of attack was approved by the House of Representatives yesterday. It went to the Senate for final Congressional action.

The House, which met for the first New Year's day session ever held by either chamber of Congress, also passed as its own predict tax bill recommending a compromise between the Senate and the House.

The coalition crisis, that has been brewing to a peak. The violence of this campaign some months ago is linked partly to the World's loss of popularity owing to its failure to secure promised social improvements.

ed hall, Mr. A. Amdur (General Zionists) entered and asked for a five-minute delay "to contact some people." It was granted.

Packed Hall

About ten minutes later Mr. Amdur returned, and Mr. Auster asked whether he had settled his affairs, Mr. Amdur replied: "Only partly." The Mayor then asked if he needed more time, and Mr. Amdur said he would need a "reasonable interval." He then left.

At about 7.30, Mr. Auster

General Zionists, Mr. E. Elishar, refused to vote for Mr. S. Z. Shragai (Religious Bloc), who has the support of the Right coalition, until the Nathanya vote was official.

Mr. Elishar approached Dr. Y. Burg, Deputy Knesset Speaker and a Hapoel Mizrahi leader, who was observing the proceedings. Dr. Burg gave him his personal promise that his party would support Mr. Ovad Ben Ami as Mayor of Pathatya. Mr. Elishar was then ready to vote for Mr. Shragai.

The coalition members, thereupon, re-entered the hall and said they would stay "indefinitely." They expressed the fear that if they left the Opposition would hastily schedule a meeting and push through a vote electing their candidate. According to the law, it would be legal even if a quorum were not present.

At about 8.30, Mr. Amdur told reporters that the coalition had not requested the postponement, and that they were ready to hold a meeting that evening. He then called Mr. Auster at home who assured him that a meeting would not be held that night, and that he would notify the Council members today of the time for the next meeting.

(See Polish Titles, Page 3, Col. 3)

have deterred Russia from waging "an immediate all-out war of conquest," Mr. Dewey added.

THE JERUSALEM POST

A week's supply of standard size newsprint for the daily press arrived ahead of schedule in Haifa yesterday, and it is expected that newspapers will be sure of their usual format by the latter part of this week.

The paper now being used is not newsprint, but was prepared for commercial use and is four-ply absorb ink. That is the reason for the poor printing of the past few issues of this paper.

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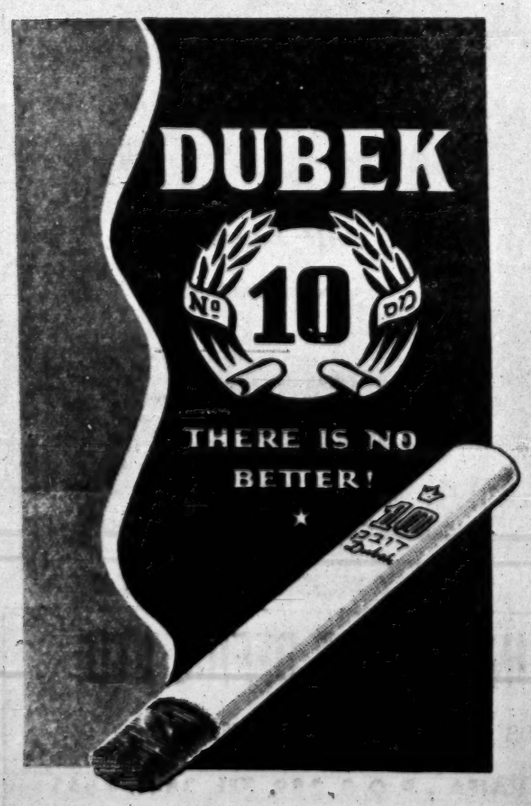

Ore Prospecting in the Negev

By A. Loehnberg

THE antiquity of ore extraction in the Negev stands in a marked contrast to the lack of prospecting in this area with modern engineering methods. A chain of literary and archaeological evidence stretches from Pharaonic expeditions into the north-eastern border regions of the Red Sea to Solomon's times, and to early medieval attempts to quarry manganese (used as a dark pigment) and copper ore. However, the gap of exploration, which lasts now for more than a millennium, has not yet been closed. This will be done only when an answer can be found to the question whether sufficient quantities of usable ore can be mined economically in the Negev which contains Israel's most promising mineral zones.

In the early 30s of this century, Mr. Kirby, an Anglo-Egyptian, started a pompous but ill-fated ore prospecting campaign in the Far Negev. But he lacked the essentials of an explorer: patience, knowledge of local conditions, planning capacity, and thus had to abandon his attempt very soon. Subsequently, a number of geologists and archaeologists paid visits to the ore outcrops in Wadi Menaiye, short descriptions of which were published by Blake, the late geologist of the Mandatory Government, and by Glueck, the excavator of Etzion Geber at the Gulf of Elath.

Previous Field Work

After the outbreak of World War II this writer travelled extensively in southern Palestine and Transjordan in his capacity as a consultant to the engineering branches of the British Forces in the Middle East and he was able to supply, among others, a small quantity of manganese ore to local factories on behalf of the War Supply Board. This ore was then urgently needed in the manufacture of welding electrodes for the repair of armoured vehicles during the critical periods of the North-African campaign. Later investigations proved the desirability of closer investigations of the ore occurrences around Menaiye. These were carried out under an exclusive exploration permit issued by the Mandatory Government in 1944 and renewed later on. Field work proceeded at regular intervals over an area covering roughly 300 sqkm. (80,000 acres) until the outbreak of hostilities in 1947. Additional surveys concerned with the examination of sulphur occurrences were made between 1945-47 under a prospecting permit extending over an area of about 500 sqkm. in the central Araba and the mountains to the west.

Prospecting Camp in the South

While sulphur indications were found to be of little practical importance, ferrugineous limestone containing limonite and heamatite iron ore was discovered near the mouth of Wadi Jerafi, holding out the hope for extension in depth and in area at similar geological structures nearby. The wide distribution of limestone of Senonian age in the middle reaches of the same Wadi Jerafi favours also the search for phosphatic layers which were traced in the neighbourhood of Jebel Samaq during an exploration in March, 1946.

Our main efforts were, however, concentrated on the manganese and copper occurrences at Menaiye, some 30 km. north of Elath, popularly known as "King Solomon's Copper Mines." Among the widespread remains of ancient quarrying, tunnelling and roasting ore the first modern ore prospecting campaign in the Negev was undertaken in 1944, with the assistance of Mr. B. Aisenstein, mining engineer. It included, until 1947, topographical and geological mapping, digging, trenching, essaying and geophysical prospecting. The geophysical tests consisted of three types of testing, a spontaneous polarization survey, an equipotential, and a normal resistivity survey. The results of these investigations point to a possible continuation of ore bodies in depth, although the quantities visible in the field excavations remain in the order of several thousand tons only. It would be necessary to prove the existence of at least several tens to a hundred thousand tons before methods could be devised for extraction and subsequent treatment.

Calculated on the basis of pure copper and manganese, the copper ore represents a low grade deposit and the main manganiferous formation a medium-to-high grade occurrence; besides that, low-grade manganese is found in the neighbourhood of the better-class outcrops. Accessory metals which under certain circumstances might be separated from the ore are cobalt and gold.

Chemical Products

For economic reasons Israel cannot become an exporter of ore and must therefore concentrate on increasing the value of its crude ores by refining processes. Copper sulphate (as an insecticide) and manganese salts (as an admixture to fertilizers) might represent such first industrial products. If cheap energy is available, the manufacture of coppér and manganese metals and alloys may also become profitable.

For practical purposes everything depends now on the opening up of sufficient reserves of ore. This was well understood by some modern field workers and by Jewish organizations which financed their efforts. During the last years of the Mandate, the mineral rights covering the Menaiye region were the only Jewish land rights in the southern Negev and in the vicinity of Elath. For this reason, and in order to develop a basic industrial activity in the Far Negev, the Jewish National Fund and the Jewish Agency formed the Mineral Development Co., Ltd., which was registered in 1947 with a share capital of LP.50,000, of which the Jewish National Institutions hold 50 per cent, the rest being divided equally between the Africa Palestine Investment Co. (a subsidiary of the South-African group of companies in Israel) and Messrs. A. & E. Loehnberg.

The development of ores and mineral raw materials towards a stage where they can form a broad base for local industry has still to be implemented. The Israel Government — in contrast to the economic policy of the Mandatory regime — has expressed its intention to support actively the exploitation of our subsoil resources. It is to be hoped that ore prospecting in the Negev will soon pass from its pioneering stage to a large-scale and systematic exploration.

Social Tasks in Town Planning

By Y. Ben Sira

THE main tenets of our official planning policy seem to be the dispersal of the population, the division of the country into 24 planning regions, and the planning of new towns. This policy is proclaimed to be based on an assumed population of 2½ million to be contained within the present state boundaries, presumably at the end of a decade of intensive immigration. There is, however, a world of difference between "to be contained" and "to be absorbed." In the latter case, the accruing population is different from, and in number, bigger than the stable population into whose cultural and social moulds they are supposed to cast their lives. Should not this consideration influence the planning of the new towns and neighbourhoods?

Urban development is admittedly mostly concentrated in the three cities of Jerusalem, Haifa, and Tel Aviv, with all the attendant ills of slum areas, impaired family life, juvenile delinquency etc. About 80 per cent of the total population will lead an urban life. Half the total population will live in three urban areas and will claim special consideration. Moreover, 50 per cent of the citizens of Jerusalem, Haifa, and Tel Aviv need rehousing. Industry in these cities requires relocation, new sites for public buildings and parks should be indicated, and a large programme of public works carried out. Their traffic problems must be tackled radically. The efficiency and well-being of their inhabitants will affect the country as a whole.

As lately announced by the planning authorities, Tel Aviv is expected to grow to 450,000, Haifa to 350,000, and Jerusalem to 250,000, a long way from earlier statements of 180,000 for Tel Aviv, 250,000 for Haifa, and 150,000 for Jerusalem. The new figures are decidedly more realistic, but still inadequate with regard to Haifa and Tel Aviv, if their immediately abutting urban areas be taken into consideration.

In the early years the three cities will take a larger share in absorbing newcomers until tapered to accepted targets of population. In the meantime, the medium and smaller urban centres, such a Safad, Tiberias, Affula, Acre, Hadera, Natanya, Petah Tikva, Rehovot, Rishon, etc., should be aided and encouraged to absorb ever growing numbers until they in turn approach adequate sizes (from 30,000 to 80,000 residents) for the provision and maintenance of urban amenities. The main obstacle is, of course, land and its ownership. Absentee ownership, lack of continuity of development, prevent large-scale operations. An easy way out is building on undeveloped land owned by the State, the K.K.L., or administered by the Custodian. This reserve, however, is quickly used up and presents no solution to the problems of existing urban centres.

The division into 24 planning regions, when 11 are sufficient for Great Britain, is an example of the prevailing attitude. The region should form an economic and social planning entity. It is unthinkable that Haifa and Tel Aviv should be divorced mechanically from the abutting areas.

There is further the question of neighbourhood units, first launched in a practical manner by Professor Abercrombie's report on London. Here the claim was put forward that constituent authorities merged into the greater city should maintain characteristics, giving their inhabitants a feeling of belonging to a recognizable community. However they are not to be defined only by encircling belts, but by their *foci* of interest and their public buildings shall they be known. Modern literature fixes their size at 6,000 to 10,000 inhabitants, depending on research into social trends and forces, which might well be totally different in different places, calling for other sizes to maintain a full community life.

Similarly one may doubt the wisdom of planning new small towns of 5,000 to 10,000. There is definitely a call to the *land*, into small rural settlements, but urban centres will have to be nearer 30,000 or 50,000 to maintain adequate services and amenities.

The building of new towns is a fascinating task, and most essential for undeveloped areas, especially in the Negev, but it requires careful study of the social as well as the economic problems involved. Would it then not be wiser to concentrate now on one or two new towns only, say Beersheba and Ascalon, giving them the full backing of all State resources?

Too many new sites are being earmarked for new development because of favourable scenic conditions, land ownership, or distance from existing urban centres. It is easy to found a city, but difficult to maintain it at a proper social level. The social test should be overruling in design, and co-operation with the public in execution.

(From a comprehensive study published in the October issue of "Hashilton Hamekomi Be-Israel.")

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WEEKLY SEMINARS

Haifa: Today, Monday, January 1, at 4.30 pm. at the home of Mrs. Gideon, 18 Hatishbi A St., French Carmel.
Judge B. Rosenblatt, on "The Jewish Agency as a Link Between Israel and World Jewry."

Tel Aviv: Tomorrow, Tuesday, January 2, at 4.30 p.m. at The Hadassah Club, 30 Hayarkon St.
Mr. David Crohn, on "Non-Political Organizations in the Upbuilding of Israel."

Jerusalem: Wednesday, January 3, at 4 p.m. at the home of Mrs. Sari Berger, 39 Benjamin Metudela Street, Rehavia.
Mr. I. Reskin-Levy, on "The Cooperative Movement in Israel."

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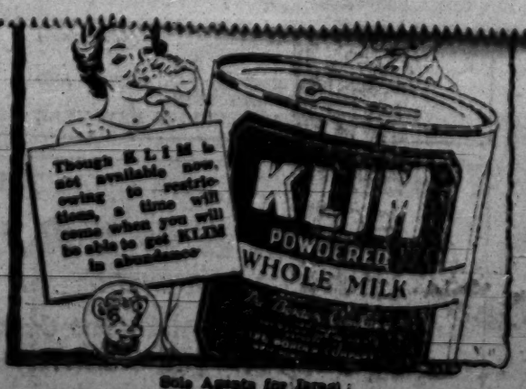

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CITRUS AS KEY EXPORT INDUSTRY

The following are excerpts from a comprehensive article written for The Jerusalem Post *by one of the leading experts in the citrus industry.*

By Mendes B. Sachs

THE citrus industry of Israel is once again very much in the news. As the result of a definite improvement during the past few years, the writer, together with perhaps the majority of growers, was until recently optimistic regarding the rehabilitation of the industry. This was due in part to the satisfactory prices which had been received, and perhaps even more to the recognition by the Government last year that local conditions, particularly with regard to labour, justified an export premium.

During the past few months, however, there has been a marked change for the worse. On the one hand, with the decreasing value of the Israel pound, wages and local costs in general have again risen, while on the other hand the European marketing situation has changed quite radically, and there is every reason for expecting a considerable reduction in the prices which we shall receive for our fruit this year. The net result would appear to be that unless the growers are given a much larger share of the difference between the real value and the face value of the foreign exchange which they earn, they will be shipping at a considerable loss. In fact, at the time of writing, it would seem that even the very best grower, which during the past few years have been reasonably profitable, will not be able to cover expenses. The first shipments of both grapefruit and oranges have realized prices which, though higher than those received by our competitors, are not high enough to cover our harvesting and shipping costs. It is only natural that when several thousand citrus growers are faced with a situation of this sort, particularly after so many hard years, a state of mind approaching panic must arise.

There has been abundant evidence during the past two years that Government has begun to realize, at least in principle, how important the industry is in the economy of the country, and is anxious to do what it can to increase the amount of foreign exchange that it earns. But Government has failed to make a thorough study of the situation. The following is an attempt to summarize the situation, admittedly from the growers' point of view, but without losing sight of the fact that national interests must prevail.

Competitive Quality

The citrus industry of Israel is objectively in an excellent condition to compete in world markets, as the conditions for growing the fruit in this country are, perhaps, as nearly ideal as it is possible to find anywhere in the world. Despite some injury to the reputation of our fruit during the past two years, resulting primarily from frost damage (which should not normally be expected to occur more than once in fifteen years), there is nevertheless a great demand for Israel citrus in European markets and a possibility of selling much larger crops than we now have, so long as our prices are competitive. The industry has managed, at great expense, to overcome its greatest problem, that of wastage. Any slight exaggeration in the reduction of the grading standard is being corrected this year, with the most willing cooperation of the growers.

Wages of agricultural labour have increased by 1,000 per cent since before the war and are still rising. Productivity, on the other hand, has fallen tremendously. At the start of the present season, when it was already known that prices in European markets would be considerably lower than in previous years, wages have again been raised for all types of labour and in most cases with the agreement of the Government. Even now, after the season has started, there are constant demands for further increases. We estimate that the cost of picking, packing and forwarding the fruit this year will be about one-and-a-half times higher than last year, not including the increased cost of packing materials. In the case of picking, which is the most expensive single operation, our costs are more than three times as high as even those of America, where wages are higher than anywhere else. Drivers of lorries are insisting upon an increase of at least 20 per cent over last year's rates, and porters are insisting in some cases upon an increase of 50 per cent. Packing labour, although nominally receiving a relatively small increase, is actually getting far more by sudden shifts of workers to higher grades with wages determined accordingly, the graduation being determined by the workers' organizations alone. Any reduction in costs resulting from mechanization of grove operations is more than offset by higher wages.

Labour and Wages

The number of skilled labourers is being artificially kept so low by the Unions as to make it necessary, in order to ship the fruit at all, to spread the shipments more or less equally over the season, instead of concentrating them on periods when the best prices may be expected. Moreover, apart from frost damage, the principal complaints against our fruit result from poor sizing, carpentry and packing, over which, under present labour conditions, the grower has almost no control.

In this connection, it may be added that the very high cost of labour also makes it uneconomical to select the fruit on the trees at the beginning of the season as was done before the war and thereby to ensure the shipment of only the ripest fruit for Christmas, the use of more than one grade and the stamping of each individual orange, all of which would undoubtedly improve our position in European markets. Costs are frequently greatly increased by what would appear to be insignificant factors. As an example I may point to difficulties between the management of the Railways and one or two engine drivers in Haifa.

In brief, therefore, the position with regard to labour is that wages are far higher than in any citrus producing country of the Mediterranean area, and are continuing to rise, that productivity is far lower than anywhere else and is continuing to drop because of the constant changing of labour in every grove. The "Black Market" wages which are being paid in various trades, particularly in building, have drained off the more highly skilled packing labour and forced a considerable increase in wages of those who have remained in the citrus industry. The net result of these and other factors is an inflation of costs to a figure vastly greater than that of any competing country, and injury to the reputation of our fruit abroad.

Currency Allocations

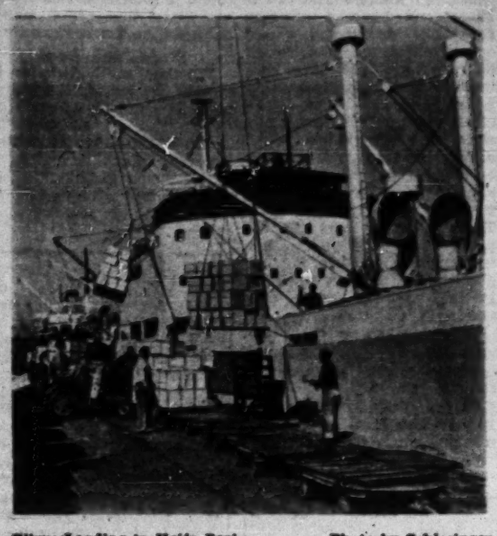
A considerable part of the increase in the cost of packing materials is due to the fact that the industry was not given the required foreign exchange to purchase the materials in time to enable it to buy at the best prices. In some cases a delay of a few weeks has resulted in an increase of 15 per cent or more. Similarly, production costs were increased because not enough chemical fertilizer was allocated to the industry at the proper time last spring, and the yield was proportionately lower. Here, too, the reason was shortage of foreign exchange, which was given too late to influence the size of the crop. It is the contention of the growers that since they earn the foreign exchange, they should certainly be given at least the relatively small percentage of this exchange which they require for production and marketing at the right time. This claim has been recognized repeatedly by the Treasury as being justified, but in actual practice other requirements of the country are given priority. It seems virtually certain that because of these delays there will not be sufficient packing materials in the country to make it possible to ship all of this year's crop, even if prices are high enough to justify such shipment.

Foreign Competition

We are now faced with the serious competition of foreign Governments. It has commonly been thought for several years that once we had our own Government, the citrus industry would be in an excellent position, since it would be virtually the only significant export industry. It would appear that this should place us in an excellent bargaining position. In actual fact, however, experience of the past two years has shown that the industry has received almost no help in this way, and we are informed by our delegations that the commercial agreements thus far signed have in some cases even interfered with our sales. Here again, it is clear that the root of the trouble is merely a lack of intelligent co-ordination and consistent policy.

But even more serious is the fact that our principal competitors in European producing countries are now receiving considerable economic assistance from their respective Governments, which would make it difficult for us to compete even if labour conditions in this country were normal, without corresponding assistance from the Israel Government. By far the most important of our competitors is Spain. This year the Spanish Government has so adjusted the rate of the peseta for citrus exports as to give what amounts to an export premium of about 100 per cent, besides a very considerable subsidy which results from the decision to place 20 per cent of the foreign exchange earned by the exporters at their disposal for imports into Spain. This decision, together with a much larger crop this year in Spain, makes it possible for Spanish exporters to sell their fruit at prices which would not even cover our harvesting and shipping costs.

Even the United States Government gives a 50 per cent export premium to growers, despite the fact that their costs are much lower than ours, so that, here again, we are placed in a position of being unable to compete. North Africa is protected in its principal market in France by a 35 per cent protective tariff and has, in addition, very low labour costs.



Citrus Loading in Haifa Port. Photo by Schlesinger

Cyprus, as part of the British Empire, is not subject to the high import duties which we have to pay in England. Italy grants, in one form or another, a considerable subsidy. All of these countries are able to produce and ship at a fraction of our costs.

The request of the citrus industry that any reduction in prices this year and any increases in costs be covered by an increase in the export premium involves, it is true, a radical change of policy on the part of Government; but any such change that we can now visualize would involve a far smaller premium than is actually being paid by this country to other agricultural producers. To give an extreme example, we are faced with the extraordinary anomaly by which apples, for which our climate is so poorly suited, are produced at a fabulous profit; whereas citrus, for which our conditions are ideal, cannot this year be marketed except at a considerable loss. Even within the citrus industry itself, the one sector which is consistently profitable is that which produces varieties which cannot be exported at all but which are sold only in the local market; for here the price is fixed in accordance with costs of production.

It is not difficult to understand the refusal of Government to agree to the usual demand of the growers "give us the foreign exchange we earn or its real equivalent and we shall not require any further assistance." But it is impossible to understand, in view of the vital importance of foreign exchange at the present time, any refusal on the part of Government to make it possible for the earners of that exchange to produce at a minimum profit. The difference would have to be borne by the consumers of Israel, it is true; but they are being forced to cover far greater differences on all other agricultural items.

Why then, it may be asked, do citrus growers advocate the planting of large new areas of citrus groves? The answer amounts in essence to the following:

We believe that Israel cannot survive economically without exporting.

We believe that the citrus industry is the soundest in this country and is in a better position to export than any other; and that if it does not pay to export oranges, it will not pay to export anything.

We believe, therefore, that in the course of the next 8-10 years, until the proposed new groves come into full bearing, the Government will either have got local inflation and labour conditions under control, or will have no choice left but to cover any deficits resulting from these factors.

In other words, we believe in the future of the citrus industry because we believe in the future of Israel.

Trade Balance

"The object of foreign trade is not primarily to gain gold but so to pay one's way as to be able to purchase goods, to gain assets, and to settle liabilities for goods and services already received. The measure of success or failure to attain this end is the country's balance of payments with the world as a whole and not merely the ***dollar element contained*** *in it."*

From "Report on Sterling," in the Quarterly "The Round Table."

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AGENTS TO THE GOVERNMENT OF ISRAEL

war in Europe, Asia and the Middle East at the same time, the effective defence of all the three regions would be out of the question, and it should not be difficult to work out which region, or rather the part of that region, which would be left to its own devices. In the circumstances, therefore, Israel has an urgent purpose, which is to keep its head; and to use what influence it may have towards the prevention of a war which is wholly unnecessary and far from certain.

Tel Aviv, January 2.

tunities and developing their economy. In this task, they are coming to rely more and more on the support of Britain and the U.S.A., although they are at pains to maintain correct relations with Soviet Russia. But their greatest asset lies in the unity and disciplined effort manifested by their peoples."

Elsewhere, the survey notes that "politics in the Middle East turned largely on the relations between Israel and her neighbours. The Arab world has not yet reconciled itself to accepting Israel as a permanent, if new, feature of the political landscape."

There is a hint that the nationalist campaign against British influence in the Canal zone and in the Sudan has now passed its peak. The violence of this campaign some months ago is linked partly to the Wafd's loss of popularity owing to its failure to secure promised social improvements.

AFTER MIDNIGHT

A master plan to mobilize the civilian defenses of the U.S. in case of attack was approved by the House of Representatives yesterday. It went to the Senate for final Congressional action.

The House, which met for the first New Year's day session ever held by either chamber at Congress, also passed an excess profits tax bill representing a compromise between the Senate and the House.

to have begun at 7 o'clock. As Mr. Auster prepared to leave his office for the crowded hall, Mr. A. Amdur (General Zionists) entered and asked for a five-minute delay "to contact some people." It was granted.

Packed Hall

About ten minutes later Mr. Amdur returned, and Mr. Auster asked whether he had settled his affairs, Mr. Amdur replied: "Only partly." The Mayor then asked if he needed more time, and Mr. Amdur said he would need a "reasonable interval." He then left.

At about 7.30, Mr. Auster

for the new delay. It was reported that the leader of the General Zionists, Mr. E. Eliashar, refused to vote for Mr. S. Z. Shragai (Religious Bloc), who has the support of the Right coalition, until the Natanya vote was official.

Mr. Eliashar approached Dr. Y. Burg, Deputy Knesset Speaker and a Hapoel Mizrahi leader, who was observing the proceedings. Dr. Burg gave him his personal promise that his party would support Mr. Oved Ben Ami as Mayor of Natanya. Mr. Eliashar was then ready to vote for Mr. Shragai.

understanding on the adjournment.

Feared Hasty Meeting

The coalition members, thereupon, re-entered the hall and said they would stay "indefinitely." They expressed the fear that if they left the Opposition would hastily schedule a meeting and push through a vote electing their candidate. According to the law, it would be legal even if a quorum were not present.

At about 8.30, Mr. Amdur told reporters that the coalition had not requested the postponement, and that they were ready to hold a meeting that evening. He then called Mr. Auster at home who assured him that a meeting would not be held that night, and that he would notify the Council members today of the time for the next meeting.

(See Polish Thru. Page 4, Col. 3)

Only American possession of the atom bomb seemed to have deterred Russia from waging "an immediate all-out war of conquest," Mr. Dewey added.

THE JERUSALEM POST
A week's supply of standard size newsprint for the daily press arrived ahead of schedule in Haifa yesterday, and it is expected that newspapers will return to their usual format by the latter part of this week.
The paper now being used is not newsprint, but was prepared for commercial use and so does not absorb ink. This is the reason for the poor reproduction of the last few issues of this paper.

COMMON SENSE IN SHORT SUPPLY

By Hans Moller

WE are said to be a clever people. One cannot be sure of our high standard of intelligence but most certainly do we lack the second component of cleverness, which is common sense. This applies to both the lack of consideration for the common cause, and the lack of common thinking. Selfishness on the one hand and unrealistic thinking on the other, and sometimes a combination of the two, have become an outstanding feature of our public life.

One even feels inclined, at times, to assume that these phenomena have a common root. The many and varied opportunities for profiteering offered since 1940 have been used so comprehensively, that greed alone offers no sufficient explanation, especially since not individuals alone are to blame, but also many collective bodies, where the responsible persons have no more than a partisan interest. There seem to exist philosophies of profiteering, no less uncompromising than the slogans and phrases dividing groups, parties, and individuals.

Perhaps some of those who are doing things which are harmful to the interests of the community, will claim that to them belongs the future, and that it does not matter what happens, provided it helps them to survive or strengthens them for their task of taking over. It is not worthwhile arguing with them any more than with people profiteering for their individual benefit. Some of them, it should be added, may also claim that a rich man is an asset to the community.

Words and Deeds

Whether motivated by interest or by adherence to phrases, an unrealistic approach has spread over the country. From top to bottom we meet many instances of pitiful incompetence, inefficiency, not infrequently accompanied by arrogance or cynism.

> *I see too many proofs of the imperfection of human reason, to entertain wonder or intolerance at any difference of opinion on any subject; and acquiesce in that difference as easily as on a difference of feature or form; experience having long taught me the reasonableness of mutual sacrifices of opinion among those who are to act together for any common object, and the expediency of doing what good we can, when we cannot do all we wish.*
>
> THOMAS JEFFERSON

The truth is sometimes revealed in speeches, addresses, or proclamations. But however convincing these may sound, one soon comes to realize that implementation by deeds is sorely lacking. It is too often in words alone that we discharge our responsibility.

This seems to be the heritage of a people more accustomed to dream than to action, and the result of being faced all the time by a task almost incommensurate with our forces. Reality fell upon us rather unexpectedly. We have not yet managed to be quite awake, and the reaction to being torn out of dreams is bound to be woeful.

All this is most noticeable in matters of economy. Here a specific and dangerous narcotic has prolonged our dreams and made our arousing more difficult. For an almost uninterrupted period of ten years, a sellers market has been making a success of any venture of producing or otherwise providing goods. The worker belongs to the sellers not less than the merchant or the manufacturer. He is a party to the latter's success and he knows how to secure his share in it. Behind this perpetual series of opportunities the case of the Histadrut is of special interest. From a trade union it has become "a state within the state" as far as its power is concerned. But the very fact that it has not always been possible to discern what state was actually in what state, has revealed a certain disproportion between this volume of power and the ability of putting it to good use.

Delusion and Reality

Reasonable men among the Histadrut leaders have often deplored the easiness with which workers were able to get what they wanted. They knew that to give them less might have been better and that this trend did not lead to real progress in the building-up of the basis for a higher standard of life of the worker. In the lang run, this can be achieved by giving him a larger share in the national income, but mainly by increasing the amount of goods available. Raising wages and thersby prices and employers' profits will inevitably result in inflation. Still, this was and is being done time and again, aimless and harmful as it may be.

But apparently an action is not abandoned because it is harmful, and the less so, if it is harmful in a wider sense only. The individual or the group who wants more pay does not care if this addition is bound to become worthless tomorrow, because of others following suit. The worker generally does not ask who will eventually pay the bill, and whether it might not be he himself. To him, the employer is the one who has got the money, who is dialectically his opponent. Workers' parties and rank and file in the Histadrut are obviously still living in ideologies which belong to those good old times when the *bourgeoisie* was in power, and when opposition to it was legitimate, humanly and economically.

Here and now, we have before us a majority which is in every respect still using the slogans of opposition. It may be that these contradictions correspond to more drastic and cruel ones elsewhere and that they all mark the turning point where collective power must disintegrate. Here, too, it is true that swords must be turned into ploughshares, when the struggle is over.

Anyhow, so far the masses are on the move. No matter what our situation is, wages must go up, and no argument that life has become more expensive because of the latest increase in wages, is of any avail. Reason is no argument, and the individual's natural inclination to have more and to do less is exalted to the rank of doctrine. Why actually should it be different? The limiting factor of "competition" does not exist, neither for the employer, nor for the employee. The poorer the situation, the bigger the demands; the scarcer the supply, the higher the prices, and the higher the wages. Such is the logic of the man in the street, of his party, and of the Histadrut, and of the Government, or at least of the majority of its members.

Still, why have we not yet reached the end, why has our situation not deteriorated much quicker, why at all is there some hesitation and restraint?

Hopeful Signs

The explanation cannot be found in a purely materialistic fashion. If the community has not yet succeeded in committing suicide, notwithstanding everything mentioned so far, and notwithstanding the fact that our reserves were certainly not considerable, then one must assume that somewhere, hidden behind all these shortcomings of thought and action there still exists some amount of conscience and imagination which forecasts the inevitable outcome of further progress on the way we have gone till now. And if one looks around in this wilderness, one becomes aware, here and there, of a human face, a face showing consciousness and endeavour to do things right.

There are merchants and manufacturers who seem not to be sworn adepts of the philosophy of profiteering, and there are workers, and even leading ones, who dare to oppose party phrases and attempts to stultify even principles such as that of rationalization, the basic meaning of which is certainly right. But these are the few, and the others are the many, and there is no likelihood that this proportion will soon be reversed.

Everything will depend upon our ability to persist and carry out what is visualized and acknowledged by the few, and to help them to arrive at a common basis for their community-minded thinking, and thereby to produce what is so urgently needed — common sense in the double meaning of the word.

WORKERS' OCCUPATIONAL FABRIC

By Walter Preuss

LAND, Capital, and Work are the three decisive factors of every national economy. It is frequently thought that the labour factor is of secondary importance because there is apparently a more than sufficient supply of labour, due to the incessant influx of new immigrants. Yet, this argument is misleading because the problem is not one of quantity alone. In at least the same degree the question arises how far the available or potential labour force is adapted to the task of rapid settlement on a productive basis, and of building a national economy which is, as far as possible, self-supporting.

In this respect, the labour factor is at least as problematic as the capital factor. The number of skilled workers among the nearly half a million new immigrants is almost negligible, nearly 70 per cent of these immigrants have had no occupational training whatever, and within the remaining 30 per cent only a small number are trained or at least suited for agricultural and other essential occupations such as the building trade, metal industry, woodwork, etc. Hence the problem of readjustment, of productivity, and of occupational training has assumed vital importance. In addition, this aspect of the labour problem is further complicated by the fact that we have no reliable information about the occupational composition of the old-established labour force, as the results of a recent government census have not yet been made available.

However, a certain measure of information can be gathered from an analysis of Histadrut membership which represents nearly 70 per cent of the country's labour force. The following table gives comparative figures for January 1, 1950 and January 1, 1948.

Occupation	1.1.50.	%	1.1.48	%
Agriculture (Settlements)	42,202	25.1	32,111	24.8
Agriculture (Hired Labour)	6,789	4.0	5,606	4.3
Industry and Trade	35,943	21.4	31,994	24.7
Building and Public works	22,193	13.2	13,463	10.4
Transport (land and sea)	9,654	5.7	6,879	5.3
Clerks	24,663	14.7	16,186	12.5
Free Professions	10,537	6.3	8,753	6.8
Domestic and other services	10,651	6.4	7,915	6.1
Various	5,466	3.2	6,571	5.1
Total	168,102	100.0	129,477	100.0

It should be borne in mind that the figures of labour in agricultural settlements in the preceding table include only permanent members but neither temporary workers nor labour recruited from youth organizations. If these categories were included, the total number of agricultural workers in settlements would be in the neighbourhood of 55,000. On the other hand, it should be noted that only 40 to 45 per cent of the settlers are actually engaged in permanent agricultural work, the rest being employed in industry, building and transport (10-15 per cent), and to a considerable extent (35-40 per cent) in teaching, child care, kitchen and other services. Nevertheless, although members alternate in various branches of work, agriculture is the basic occupation in settlements.

In other respects, a comparison between 1948 and 1950 shows an increase in agriculture and the building trade, and a relative drop in industrial employment. Furthermore, it is significant that 69.4 per cent of all Histadrut members are employed in the four basic occupations: agriculture, industry and trade, building and transport.

Another important fact emerging from these statistics is that of the 168,000 members of the Histadrut in the age groups over 18, and not including wives who, under the regulations, are themselves full members, about 80,000 were working in Histadrut-owned cooperative establishments, notably in agricultural settlements, as "Solel Boneh" workers, teachers, medical personnel, and administrative employees. Another 88,000 were employed as hired labour in private firms.

No exact figures are available of the occupational structure of the total labour force of the country beyond those organized in the Histadrut. An estimate of employment in the summer of 1950 results in the following approximative figures:

Agriculture	87,000
Industry, Trade, Home Workers	55,000
Building workers	13,000
Public workers	9,000
In Military Employment	6,000
Transport	18,000
Professions, clerks, services	85,000
Total	242,000

The figure of agricultural labour, it should be noted, increases by at least 6,000 during the citrus picking season.

As this statistical material is not based on a general census, it should be treated with a certain caution, all the more so because immigrants in camps and ma'abarot who have not yet found regular employment, are not included.

The total figure of employable persons in the summer of 1950 (again without the camp population) has been estimated at 340,000. On the basis of this figure, we would arrive at the conclusion that actually employed persons amounted to about 70 per cent of all employable persons; of these 70 per cent, about 47 per cent were employed in the private sector, against 23 per cent in the Histadrut sector.

All these figures do not, of course, enlighten us on the inner structure of our labour force, that is to say, on the various degrees of skill in the respective occupational groups. It is to be hoped that the recent census will supply some information on this vitally important question.

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In considering this tent business, we should beware of one meaning of the word, which gives 'tent' as a roll of linen inserted into a wound to keep it open. All such should be resolutely banished from the ma'abaret, and replaced by the other sort of 'tent,' a deep red Spanish wine, which will surely warm the cockles of every heart in every camp. The Army is seeing to it, with efforts more than tentative, that the camps will be able to stand up to the weather, but though present portents are good, we shall have to make greater exertions in 1951 to make all inhabitants of Israel content.

WEEKLY SEMINARS

Haifa: Today, Monday, January 1, at 4.30 pm. at the home of Mrs. Gideon, 18 Hatishbi A St., French Carmel.
Judge B. Rosenblatt, on "The Jewish Agency as a Link Between Israel and World Jewry."

Tel Aviv: Tomorrow, Tuesday, January 2, at 4.30 p.m. at The Hadassah Club, 30 Hayarkon St.
Mr. David Crohn, on "Non-Political Organisations in the Upbuilding of Israel."

Jerusalem: Wednesday, January 3, at 4 p.m. at the home of Mrs. Sari Berger, 29 Benjamin Metudela Street, Rehavia.
Mr. I. Roskin-Levy, on "The Cooperative Movement in Israel."

VISITORS IN ISRAEL ARE CORDIALLY INVITED

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WAGES IN THE NATIONAL ECONOMY

By H. Nahshon (Abramson)

THE place and share of wages in the framework of national income indicates not only the position of labour but also the general level of economic development. The latest figures on national income in 1948 and 1949 supply no information on this subject, but by indirect methods we can arrive at fairly reliable estimates.

Our national income is derived from three main categories: Independent entrepreneurs, independent cooperatives, and hired labour.

This division, however, has to meet the difficulty of a distinction between wage earners and independents within the cooperative sector. It seems therefore preferable for our purpose to exclude the sector of agricultural settlement, the share of which in the national income for 1949 has been estimated at IL. 20 m., but account has been taken of income derived by members from outside work.

The Number of Earners

In the general census of 1948, the total number of earners, not including some 10,000 unemployed, was estimated at 343,000. According to estimates of the Jewish Agency, the percentage of independents was, in 1945, 30 out of 100 earners, agricultural labour settlements again excluded. The census of 1948 revealed that the ratio of workers to the total number of earners was 66 per cent in Tel Aviv, 70 per cent in Haifa, and 69 per cent in Jerusalem. There is little doubt that even if the agricultural settler were included, we would arrive at a figure of 70 per cent for the whole country. On this basis the total number of wage earning workers in all sectors can be taken as 238,000.

In the course of 1949, Jewish immigrants numbered about 240,000 of whom some 80,000 remained in camps and 160,000 found their way into various branches of work. If we assume that there are 40 earners to every 100 persons, we arrive at 64,000 earners including some 40,000 workers, or 30,000 if the 10,000 accrued to the labour settlements are deducted. Thus we arrive for the year 1949 at a figure of 183,000 workers, if no account is taken of agricultural labour settlements and unemployed.

Average Income from Wages

In the agricultural sector we had 5,000 hired workers in the dead season and about 15,000 during the citrus picking season, the average number being about 10,000. On the basis of a daily wage of IL. 1.700 — 1.800 and of 240 working days during the year, we arrive at an annual income of IL. 430,450.

In the industrial sector, we base our estimate on 35,000 adult workers, 10,000 women workers, and 5,000 youth workers. The average monthly wages of an adult worker were IL. 60 — 61 or IL. 700 a year, according to the wages census of 1949. For women and youth workers, the annual income was IL. 450 and IL. 300 respectively.

In the building trade, tariff wages of 14,500 workers amounted to IL. 750 p.a. for highly skilled workers, and IL. 650 for workers in the lower grades.

Transport cooperatives have 4,000 members, in addition there are 2,000 private drivers, 7,000 workers in the ports of Haifa, Tel Aviv and Jaffa. Another 4,000 are employed in the postal and railway services. This brings the total to 17,000. The Ministry of Finance has estimated that 16,000 workers are employed in the transport sector and that their aggregate annual income amounted in 1949 to IL. 17-18 m. On the assumption of an average annual income of IL. 1,000 for transport workers and IL. 650 for post and railway workers we arrive at a total of IL. 15.6 m.

Various Income Groups

Clerks, commerce, free professions, etc., accounted for about 70,000 earners with an average annual income of IL. 700. Whereas Dr. L. Gruenbaum bases his calculations on an annual income of IL. 720 for both independents and employees, we find that in the budget for 1949-50, total salaries of 8,724 government officials are estimated at an average of IL. 700 each. It is noteworthy that the 7,400 employees of the Histadrut received an average monthly salary of IL. 49, or about IL. 600 a year.

The result of these various estimates is summarized in the following table:

ANNUAL WAGES AND SALARIES IN 1949

	Number of Employees	Average Annual Income (IL.)	Aggregate Annual Group Income (IL. millions)
Agriculture	10,000	450	4.5
Industry and Trade			
Male workers	35,000	700	24.5
Women workers	10,000	450	4.5
Youth workers	5,000	300	1.5
Home industries	10,000	500	5.0
Building			
Skilled workers	6,000	750	4.5
Lower-grade workers	8,500	650	5.5
Public works and military employees	11,500	500	5.8
Transport and Communications	13,000	1,000	13.0
Post, Telegraph, Railways	4,000	650	2.6
Employees of Government, clerks, banks, free professions, etc.	70,000	700	49.0
Total	183,000		120.4

We see then from this table that the annual income from wages and salaries totals IL.120 m., or approximately half the national income in 1949.

If this estimate is correct, it follows that in spite of the increase of the national income from IL. 120 m. in 1947 to IL. 240 m. in 1949, and despite inflationary tendencies and increased wage scales, the relative share of the payroll in the total national income has not increased, if the income of independent members of the cooperative sector is excluded from the calculation.

The total amount would be higher by some IL. 20 m. if we add to it the income of agricultural settlements. In this case the ratio would be 58 per cent of the total national income.

Compared with other countries, our figures show that Israel is, to a certain extent, behind more progressive countries. Figures for 1947-48, published by the International Labour Office, show, for instance, that the ratio between wages and national income was in Sweden, 68%; in England 64%; in U.S.A. 63%; in Canada 58%; in Australia 56%; in Belgium 54%; in New Zealand 52%. In France, on the other hand, it was only 39%.

Wages & Cost of Production

Government experts have estimated that, in 1948, wages amounted to 26 per cent of general production costs. The Minister of Finance has given the following distribution of costs: Wages and salaries, 30 %; raw materials, etc. 55%; other expenses and profits, 15%. It has been objected to this statement that in reality, the share of wages is lower. A census of industry in kibbutzim carried out by the government in 1949 arrived at an annual payroll of IL. 382,000, a cost of raw materials of IL. 769,000, and an aggregate total production cost of IL. 1,538,000. It follows that, in this case, wages represented only 25 per cent of the total production bill.

Another example is provided by one of the largest textile industries in the country with an annual turnover of IL. 3.4 m. In this establishment, the payroll amounted to IL. 730,000, or 20 per cent of the value of the product. This would represent 25 per cent of the total production cost. Similar conclusions can be drawn from figures given by the Ministry of Finance which estimated the number of workers and employees in industry in 1949 at 70,000 with a total payroll of IL. 62m.

If these deductions are more or less correct, they would seem to show that the problem of high cost of production is not, in the first place, one of wages, but of high cost of intermediary factors, and of rationalization of the production process. It is here that ways and means must be found for both expansion and better rentability of our production.

BUSY LABOUR EXCHANGES

By Moshe Brilliant

UNEMPLOYMENT in Israel declined steadily during 1950 and there were approximately 3,500 out of work at the end of October. The figure does not include about 13,000 workers who were amongst the 40,000 people in immigrant camps on October 31.

The situation represents a marked improvement since the latter part of 1949 when there were still on the books in October shows that 78,000 were absorbed into the economy. Of these, 30,000 obtained permanent employment directly from the Labour Exchange.

Furthermore, since the spring, the immigrant camp population was halved from 80,000 by the conversion of ten clearance camps into villages and the transfer of masses of immigrants to ma'abarot.

The industrial revolution stopped here: A Jerusalem "tallith" (prayer shawl) weaver at his handloom. Photo by Braun

were about 13,000 unemployed, and demonstrations against unemployment in Nazareth, Lydda, Ramle and Tel Aviv. The improvement is particularly remarkable considering that approximately 190,000 immigrants left clearance camps and were absorbed into the economy during the same period.

Busy Labour Exchanges

The figures for the Jewish sector are based on reports from a Labour Exchange representing all trade unions. These show that 101,102 applied for work since January, including 22,913 in October. Of those on the books in October, 3,020 were given work for less than 15 days and are officially regarded as unemployed; the unemployment figure in December, 1949, had been 8,484.

Arab labour was not so well organized and the figures are not as precise. On the basis of reports from Arab trade unions and Military Governors, the Labour Ministry estimated that the number of jobless declined from 3,000 in October, 1949, to 500 in October, 1950.

Most of the unemployed in both the Jewish and Arab sectors were unfit for physical labour.

The fact that of the 101,102 who registered in the first ten months of 1950, only 22,913 found work, 78,189 were directly absorbed into the economy.

Public Works

The turning point in the unemployment situation came in January. The Government had planned public works in the autumn of 1949 to ease the situation after the demonstrations in July and August, but the heavy snow in December upset the programme and delayed the citrus harvest. When the harvest got under way later, the situation was eased.

The Government planned public works and made grants to local authorities for development works when the citrus harvest ended. These projects absorbed the available labour. In some places like the Tiberias area, public works were held up because of shortage of labour. Some 3,000 workers were employed daily in Government public works. In October, 1950, most of the works were discontinued to free labour for the 1950/51 citrus harvest.

Arab Labour

Most of the unemployed in the Arab sector had been concentrated in the Nazareth area. These workers had in the Mandatory days been employed in the port at Haifa, the Refineries, army camps, and the railways. A good number of them were office workers. There were no jobs for them in Nazareth. But in the past 10 months, the opening of quarries near Nazareth absorbed 1,000 workers. An average of 700—1,000 workers were employed in public works. Forty-one cooperative societies were formed.

Former office workers were trained as teachers to work in the under-staffed Arab schools while skilled building workers, garage mechanics and carpenters were sent to Haifa where there was a shortage of skilled labour.

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war in Europe, Asia and the Middle East at the same time, the effective defence of all the three regions would be out of the question, and it should not be difficult to work out which region, or rather the part of that region, which would be left to its own devices. In the circumstances, therefore, Israel has an urgent purpose, which is to keep its head, and to use what influence it may have towards the prevention of a war which is wholly unnecessary and far from certain.

Tel Aviv, January 2.

economy. In this task, they are coming to rely more and more on the support of Britain and the U.S.A., although they are at pains to maintain correct relations with Soviet Russia. But their greatest asset lies in the unity and disciplined effort manifested by their peoples."

Elsewhere, the survey notes that "politics in the Middle East turned largely on the relations between Israel and her neighbours. The Arab world has not yet reconciled itself to accepting Israel as a permanent, if new, feature of the political landscape."

There is a hint that the nationalist campaign against British influence in the Canal zone and in the Sudan has now passed its peak. The violence of this campaign some months ago is linked partly to the Wafd's loss of popularity owing to its failure to secure promised social improvements.

AFTER MIDNIGHT

A master plan to mobilize the civilian defences of the U.S. in case of attack was approved by the House of Representatives yesterday. It went to the Senate for final Congressional action.

The House, which met for the first New Year's Day session ever held by either chamber of Congress, also passed an excess profits tax bill representing a compromise between the Senate and the House.

to have begun at 7 o'clock. As Mr. Auster prepared to leave his office for the crowded hall, Mr. A. Amdur (General Zionists) entered and asked for a five-minute delay "to contact some people." It was granted.

Packed Hall

About ten minutes later Mr. Amdur returned, and Mr. Auster asked whether he had settled his affairs. Mr. Amdur replied: "Only partly." The Mayor then asked if he needed more time, and Mr. Amdur said he would need a "reasonable interval." He then left.

At about 7.30, Mr. Auster for the new delay. It was reported that the leader of the General Zionists, Mr. E. Elisha, refused to vote for Mr. S. Z. Shragai (Religious Bloc), who has the support of the Right coalition, until the Nathanya vote was official.

Mr. Elisha approached Dr. Y. Burg, Deputy Knesset Speaker and a Hapoel Mizrahi leader, who was observing the proceedings. Dr. Burg gave him his personal promise that his party would support Mr. Ovad Ben Ami as Mayor of Nathanya. Mr. Elisha was then ready to vote for Mr. Shragai.

understanding on the adjournment.

Feared Hasty Meeting

The coalition members, thereupon, re-entered the hall and said they would stay "indefinitely." They expressed the fear that if they left the Opposition would hastily schedule a meeting and push through a vote electing their candidate. According to the law, it would be legal even if a quorum were not present.

At about 8.30, Mr. Amdur told reporters that the coalition had not requested the postponement, and that they were ready to hold a meeting that evening. He then called Mr. Auster at home who assured him that a meeting would not be held that night, and that he would notify the Council members today of the time for the next meeting.

(See Polish Titles, Page 5, Col. 3)

Only American possession of the atom bomb seemed to have deterred Russia from waging "an immediate all-out war of conquest," Mr. Dewey added.

THE JERUSALEM POST

A week's supply of standard size newsprint for the daily press arrived aboard a cargo ship in Haifa yesterday, and it is expected that newspapers will return to their usual format by the latter part of this week.

The paper now being used is not newsprint, but was prepared for commercial use and is does not absorb ink. That is the reason for the poor legibility of the past few issues of this paper.

The Story of Our Food Basket

By Sarah Bavly

MANY people are under the illusion that our food supplies were far better in previous years than at present. It is of interest, therefore, to make a comparison between "now" and "then."

For this purpose researches made in 1939 by the Nutrition Committee of the Economic Research Institute on the food consumption of the Jewish sector of Palestine in the year 1938 are useful. It must, of course, be borne in mind that at the time it was difficult to get an overall picture as it was not always possible to differentiate between foods going to the Jewish and the Arab sector; nor were exact figures available on all phases of food production. But we know that the Nutrition Committee used all available sources of information and made the best possible estimate of the *per capita* consumption under the given circumstances. Our figures for 1950, however, are far more reliable, since the supply position is now almost completely under our own control.

It may be noted, that the 1938 material was used in 1939 as basis for a large food exhibit in the Straus Health Centre in Jerusalem, in which we showed that too large a portion of our food supply came from imports. We tried then to convince the public that by changing food habits and switching over to increased consumption of local products it would be possible, whilst maintaining the same nutritional level, to save one million pounds on food imports out of a total of six million pounds for the Jewish sector.

The following table shows the food consumption *per capita* per day in 1950 compared with 1938.

TWO FOOD BASKETS

Article	1938 grams	1938 cost in mils	1950 grams	1950 cost in mils
Meat	58	4.6	35	13.1
Chicken	12	2.2	12	7.0
Fish and fish preserves	35	3.9	45	14.9
Milk and lebben	124	2.8	206	21.9
Milk powder	—	—	4	1.0
Condensed milk	7	0.3	1	0.3
White cheese	4	0.8	13	0.3
Hard cheese	4	0.5	7	3.2
Dry milk (equiv.)	24	?		
Eggs (pieces)	0.7	2.8	0.7	17.5
Vegetables	127	2.1	253	20.2
Potatoes	113	1.2	90	2.8
Citrus	122	2.0	100	4.4
Other fruit	215	2.7	80	8.0
Butter	13	2.3	1	0.4
Oil and margarine	14	0.8	39	8.6
Bread	411	7.4	255	10.7
Cereals and flour	35	0.6	168	16.6
Legumes (beans, lentils, etc.)	10	0.2	8	0.6
Sugar	82	1.2	46	3.3
Miscellaneous		2.0		8.0
Total cost per person per day		39.9		162.8

Note: No comparative data are available for tea, coffee, jam, chocolate and halva. The bread price in 1950 is Government subsidized.

SUMMARY OF CATEGORIES

	1938 grams	1938 mils	1950 grams	1950 mils
Meat and fish	105	10.7	92	35.0
Milk and cheese (in terms of liquid milk)	200	3.9	358	26.7
Eggs (pieces)	0.7	2.8	0.7	17.5
Vegetables and potatoes	355	3.3	343	23.0
Fruit	335	4.7	180	12.4
Butter and fats	27	3.1	40	9.0
Bread (in terms of flour) and cereals	342	3.9	356	27.3
Legumes	10	0.2	8	0.6
Sugar	82	1.3	46	3.3
Miscellaneous		2.0		8.0
Total cost per person per day		39.9		162.8

No Reason for Complaint

We can further draw the following conclusions:

First, no perceptible change in food consumption is seen for a number of items taken together, such as eggs, bread and cereals.

Secondly, an improvement in *per capita* consumption is seen for: milk (a considerable increase), fats, and vegetables, including potatoes.

Thirdly, a certain decrease in *per capita* consumption is discernible for total meat and fish (a slight decrease only), total fruit (much was imported in 1938), and sugar(a considerable decrease).

These conclusions show that, compared with the last full pre-war year we have no serious reason for complaint. It is also noteworthy that equality in the distribution of food among all classes of the population has been introduced. It must be remembered, however, that those pre-war years were far from normal (Arab disturbances from 1936-1938), and far from "good"; neither were the war years or the post-war years 1946-1947 "good" in relation to food supplies. In fact, it would be difficult to determine when we did have "normal" or "good" years!

If therefore we want to judge our present food supply as such we must not compare it with pre-war or other years, but we must refer to more objective standards, such as a comparison of the nutritive value of the present supply with the requirement of nutrients. If we take as basis for the latter the "Recommended Dietary Allowances" of the National Research Council of Washington (1948) and convert them to *per capita* requirement on the basis of our present population distribution (according to age, etc.) we obtain the following comparison for the main nutrients.

	Nutritive value of per caplta consumption 1950	Requirement per capita according to Recommended Allowances
Calories	2680	2480
Protein (total)	gr. 78	64
Animal Protein	gr. 29	32
Calcium	mgr. 903	1040

Other minerals, as well as all vitamins, were available in adequate quantity over and above the requirement. If we use the well-founded assumption that the supply, in view of spoilage and waste on the way from wholesaler to consumer, should be 10—20 per cent over and above the net requirement, the above comparison shows that no adequate margin of safety was available in 1950 in respect of calories, animal protein and calcium.

It is heartening to know that the Government are fully aware of this fact, and that adequate plans are being worked out to improve the situation considerably in the very near future.

National Discipline

There was general recognition that the cost of the war, in terms of reduced civilian standards, was being spread justly — or at least with that rough justice which was the most the nation expected. The achievement was great; but it must be remembered how complicated was the system on which it rested. No simple formula had been found for keeping the economy steady. Very high taxation, new forms of taxation, price control, many forms of production control over finished goods, labour and raw materials, many forms of rationing and distribution schemes were all essential parts of the system. Yet the structure was not so rigid as to stifle the will to produce. In spite of the complexities of control, much was still left to the restraint and goodwill of the citizens. They saved, they practised the principle of "fair shares" which they preached and they worked very hard without examining too grudgingly their rewards.

From "British War Economy" by W. K. Hancock & M. M. Gowing.

AMERICAN LESSON

"As a result of our visit to the United States we are convinced that one of the main reasons for the high productivity and low cost which are characteristic of the industry there is the ruthless elimination of unnecessary variety and the resultant concentration of manufacturing resources."

From a Report by the English Team on Simplification in Industry.

COST OF LIVING INDEX
(Aug. 1939 = 100)

	1949
May	337
June	344
July	353
August	375
September	358
October	355
November	363
December	365
1948	
January	367
February	370
March	370
April	371
May	350
June	350
July	343
August	337
September	329
October	334
November	322
December	321
1950	
January	320
February	319
March	319
April	319
May	319
June	317
July	317
August	321
September	324
October	324
November	325

ELECTRICITY CONSUMPTION
(in 1,000 Kwh.)

1947	(All Palestine)	308,458
1948	(Israel)	260,108
1949	Jan./Feb.	43,194
	March/April	43,411
	May/June	57,757
	July/August	62,396
	Sept./Oct.	63,525
	Nov./Dec.	58,922
	Total	329,205
1950	Jan./Feb.	63,590
	March/Apr.	65,966
	May/June	82,539
	July/August	87,174
	Sept./Oct.	85,623
	Est. total (10 months)	384,892

Supply Centre of Hamashbir

By Jonah Podahzur

HAMASHBIR Hamerkazi is regarded as the largest trading organization in Israel. As a supplier it caters for the needs of over one third of the country's population. Its customers include 280 collective settlements; 110 workers' smallholders' villages, 123 new immigrants' settlements, and the urban and rural consumers' cooperative societies with hundreds of branches all over the country. In addition Hamashbir Hamerkazi supplies numerous cooperatives, many public and private institutions, sections of the Arabic population, the Jewish Agency, various Government departments, and maintains large department stores in the principal towns.

Hamashbir Hamerkazi also engages in manifold industrial enterprises; assists in securing the raw materials required for production in the collective settlements and producers' cooperatives, and facilitates the marketing of their industrial output.

Scope of Activities

There has been a remarkable rate of progress in recent years. Annual sales have risen from IL.7,980,000 in 1948 to IL.14,656,000 in 1949 (a rise of 83.6 per cent). The rise in sales continued in 1950. Sales in January - October, 1950, amounted to IL.14,782,000 as compared with IL.11,592,000 during the same period in 1949. The paid up capital now totals IL.2,000,000.

Consumers' Coop. Societies

The consumers' cooperative movement which is affiliated to Hamashbir Hamerkazi through its 360 societies has grown in recent years in scope and in stature. Branches at the beginning of November, 1950, numbered 855 with 280,400 registered customers.

Sales in January-September, 1950, totalled IL.15,148,000 compared with IL.11,109,000 during the same period last year, a rise of 36 per cent. The number of employees is at present 1,500.

A special feature in recent development is the growth of "Hamashbir Latzarkhan." These are large modern department stores situated in the principal towns which are jointly owned by Hamashbir Hamerkazi and the cooperative consumers' societies. At present there are such stores in Jerusalem, Jaffa, Beersheba, Haifa, Natanya, Hadera and Migdal Gad. Others are to be opened shortly in Tel Aviv and elsewhere.

Industrial Development

Hameshavek — Industrial Marketing Association — was formed several years ago for the purpose of marketing the industrial output of the collective settlements and the producers' cooperatives; to obtain for them the raw materials they require, and to promote their export trade. The association to which 100 collective settlements and producers' cooperatives are affiliated, now forms a special department within Hamashbir Hamerkazi, and is jointly controlled by Hamashbir Hamerkazi, the collective settlements, and the producers' cooperatives.

The industrial policy of Hamashbir Hamerkazi aims primarily at establishing industrial enterprises which would reduce the country's need to spend foreign exchange on imports; to promote its own export trade by producing commodities for which there is a demand in foreign markets; and to invest capital in enterprises and development areas for which pioneering efforts are required.

(The established industrial enterprises of Hamashbir Hamerkazi are listed on Page 4.)

Further Plans

At the beginning of 1950, the Council of Hamashbir Hamerkazi resolved to invest IL.1,500,000 in new development areas and in branches of industry which require pioneering enterprise. Accordingly, active preparations are now in progress for the early completion of the following seven new establishments.

PAPER PRODUCTS FACTORY IN JERUSALEM. IL.60,000 are to be invested with prospects of employment for 40 people. The construction of the building is in process, and the necessary machinery is being assembled.

ICE FACTORY AND COLD STORAGE PLANT IN BEERSHEBA. IL.35,000 will be invested. Also in Beersheba will be erected a flour mill, and a workshop for repairing agricultural machinery.

FISHMEAL FACTORY IN ELATH. The construction of the plant is in progress.

A LARGE TEXTILE FACTORY IN YASUR.

LAHMENU — COOPERATIVE BAKERIES LTD. The construction of a large plant in which IL.90,000 are to be invested is in progress. Most up-to-date machinery and equipment has been brought from the U.S.A. The new factory will make bread, biscuits, macaroni and pastries.

SHEMEN. Has completed plans for erecting plants for producing foodstuffs allied with its own particular products. The machinery has already been obtained in the U.S.A.

SUGAR REFINING PLANT. It is hoped that the construction of this plant will begin in the near future.

With the completion of these projects, the industrial potential of Israel will be considerably enlarged.

The Palestine Jewish Colonization Association (PICA)

(Edmond de Rothschild Foundation)

PICA, a non-profit making institution, was founded to manage and continue the work of colonisation and development of the late Baron Edmond de Rothschild.

COLONIZATION. — Settlements founded and assisted by PICA number 44, with an area of over 500,000 dunams, inhabited by a population of some 50,000 souls. The first PICA settlements were individualist, connected by co-operative societies, but since 1918 they include some of the most outstanding kibbutzim and moshavim in Israel. Each year PICA creates new villages to add to the list of previous achievements, the latest being the Industrial Quarter of Caesarea (1950), inaugurated in co-operation with Government, for the direct settlement of immigrants who are artisans.

AGRICULTURAL EXPERIMENTS. — It was the Baron's initiative which brought the grapefruit, alfalfa, tractors, Dutch cows, Leghorn poultry etc. into the country. PICA was the pioneer in developing intensive cultivation on the basis of rational crop rotation and irrigation; the first deep water drillings in Palestine were made by PICA.

SOIL IMPROVEMENT. — From very earliest days special attention was devoted to marsh drainage by the planting of eucalyptus (the beautiful Hadera woods) and by surface and underground channels and pipes at Kabara, etc.

Afforestation, sand binding, soil preservation and similar activities have constituted and still constitute an important element of PICA's activities.

INDUSTRY. — The Baron and PICA have always encouraged industrial development simultaneously with agricultural expansion. The Rishon and Zikhron Wine Cellars, flour mills (Grand Moulins de Palestine), The Palestine Electric Corporation, The Palestine Brewery, Fertilisers & Chemicals, The Palestine Salt Co. — these are but some of the enterprises that owe their existence to the initiative or participation of PICA.

THE PALESTINE ELECTRIC CORPORATION LIMITED

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NORTHERN DISTRICT OFFICE:
HAIFA, P.O.B. 179 — TELEPHONE 4205

SOUTHERN DISTRICT OFFICE:
TEL AVIV, P.O.B. 25 — TELEPHONE 4343

LONDON OFFICE:
2 GROSVENOR GARDENS, LONDON S.W.1

TECHNICAL INFORMATION

SUPPLY SYSTEM

The Corporation's supply system is alternating current with a frequency of 50 cycles per second. The standard pressure for single-phase supply (2 wire system) is 230 volts and for three-phase supply (3 or 4-wire system) 400 volts between phases and 230 volts between each phase and neutral. The supply is either single-phase or three-phase for lighting and apparatus of a load value not exceeding 3 kVA and for motors up to ½ H.P. For all greater loads it is three-phase.

Full particulars regarding the motor starting arrangements, load and power factor etc. are obtainable at the offices of the Corporation

In considering this tent business, we should beware of one meaning of the word, which gives 'tent' as a roll of linen inserted into a wound to keep it open. All such should be resolutely banished from the ma'abarot, and replaced by the other sort of 'tent,' a deep red Spanish wine which will surely warm the cockles of every heart in every camp. The Army is seeing to it, with efforts more than laudatory that the camps will be able to stand up to the weather, but though present portents are good, we shall have to make greater exertions in 1951 to make all inhabitants of Israel content.

WEEKLY SEMINARS

Haifa: Today, Monday, January 1, at 4.30 pm. at the home of Mrs. Gideon, 18 Hatishbi A St., French Carmel.
Judge B. Rosenblatt, on "The Jewish Agency as a Link Between Israel and World Jewry."

Tel Aviv: Tomorrow, Tuesday, January 2, at 4.30 p.m. at The Hadassah Club, 30 Hayarkon St.
Mr. David Crohn, on "Non-Political Organizations in the Upbuilding of Israel."

Jerusalem: Wednesday, January 3, at 4 p.m. at the home of Mrs. Sari Berger, 39 Benjamin Metudela Street, Rehavia.
Mr. I. Roskin-Levy, on "The Cooperative Movement in Israel."

VISITORS IN ISRAEL ARE CORDIALLY INVITED

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